

Soccer Theatrics A New Art Form

Cheating by Faking Injuries Challenges Players' Talents

By George Vecsey
New York Times Service

PARIS — I once met a man who had died 100 times. He lived in Rome and was a writer or a waiter, something like that. To supplement his income, he specialized in dying. He had tumbled down the Spanish Steps, he had drowned in the Trevi Fountain, he had been shot in the Piazza Navona (a terribly painful place to be shot). Whenever they needed a victim, Italian film directors would ring him up and tell him to start flopping.

He could quiver, he could gasp, he could moan, he could groan. He was a kindred soul to the World Cup soccer players, the greatest collection of fakers and con-men and whiners I have ever seen.

Take Slaven Bilic, for example. This Croatian defender will never win an Academy Award for subtlety (who

VANTAGE POINT

ever did, come to think of it?) but he is the reason Laurent Blanc, one of France's best defenders, has been suspended for World Cup final this Sunday against Brazil.

So convincingly did Bilic grab his chest, his eyes, his throat, searching for the source of his inner pain, that Jose-Manuel Garcia Aranda, the fascinated Spanish referee, promptly waved a red card at Blanc. France had to play nearly 20 minutes a man short, preserving its 2-1 lead, and must play Sunday's final without Blanc.

After Blanc waved a handful of knuckles in the general direction of Bilic, the Croat did a gross impersonation of a man fighting off invisible demons. Blanc is automatically suspended, with no recourse to appeal.

"I feel terrible about it," Bilic said afterward. "If I could do something about it, I would."

Bilic is a thorough professional. He has a thick mop of curly hair, wears an earring, and has the roguish smile of a young Donald Sutherland, backed up with muscles.

"I think he is a great player," Bilic said. "He hit me, I tried to defend myself." Where exactly did Bilic get hit? "He hit me somewhere around here," Bilic said, gesturing in the general direction of his chin. "It's hard to remember."

There were no noticeable welts or cuts or gashes or bruises above his shirt line. He seemed fine. "He hit

See CARD, Page 22



SEEING RED — Laurent Blanc, right, the French defender, is sent off by Jose-Manuel Garcia Aranda



PHONE-BOOTH BOMB — Police officers in Zilina, Slovakia, clearing debris Thursday after a blast killed the director of a primary school and her husband, a journalist. A recent wave of bombings in the country has been laid to gang warfare.

Why Japan Waits and Waits

Even the Other Hashimoto Can't Change the System

By Nicholas D. Kristof
New York Times Service

KOCHI, Japan — It is more of a compliment than it might sound when people say that Daijiro Hashimoto is the best politician in his family. His brother, after all, is Prime Minister Ryutaro Hashimoto.

But it is Daijiro Hashimoto, governor of Kochi Prefecture here on the southern Japanese island of Shikoku, who is hailed as an example of the kind of dynamic leadership that Japan needs.

Shikoku is one of the poorest parts of Japan, but Governor Hashimoto has shaken up the prefecture and made it a testing ground for the nation. More to the point for a politician, polls show him drawing public approval ratings of more than 70 percent.

Ryutaro Hashimoto, though, has slumped below

30 percent, and he could even be forced to resign if his Liberal Democratic Party loses ground in elections Sunday for the upper house of Parliament. Polls show the party struggling, in part because the prime minister seems to be emblematic of the old-style politicians who have led Japan into its present economic mess and cannot lead it out.

The tale of the two brothers underscores the weaknesses of Japan's political system. While Daijiro Hashimoto is praised by Japanese commentators and his own constituents, under the rigid seniority system in the Liberal Democratic Party he and others like him stand almost no chance of ever playing a major role in national politics.

Moreover, he is pessimistic about the prospects of fundamental change in Japan in the coming

See JAPAN, Page 10

AGENDA

Rebel Leader Slain, Algeria Says

ALGIERS (Reuters) — The government said Thursday that the leader of the Armed Islamic Group rebels in Algeria had been shot and killed in the forested heights above the capital.

Government security forces said in a brief statement that the rebel leader, Khalifi Athmane, was among 11 rebels they killed in the area Wednesday. The announcement was made hours after a bomb ripped through a flea market in an Algiers neighborhood, killing at least 10 people.

Mr. Athmane, 24, and his fellow rebels are suspected of carrying some of the deadliest attacks in Algeria. On a number of occasions Algerian newspapers have reported Mr. Athmane's death in government security forces operations.

Books Page 9. Opinion Pages 8-9
Crossword Page 13. Sports Pages 22-23.

The Dollar			
New York	Thursday 9 A.M.	previous close	
DM	1.8287	1.8193	
Yen	141.07	139.415	
FF	6.129	6.095	
Pound	1.6317	1.6367	
Dollars per pound			
			percent change
	-85.19	9,089.78	-0.93%
S&P 500			
	-7.81	1,158.56	-0.67%
Nasdaq			
	+4.58	1,940.07	+0.24%
The IHT on-line www.ihnt.com			

Poor No More: Europe's Second Tier Enjoys a Boom

By Edmund L. Andrews
New York Times Service

MADRID — When Jose Antonio Santamaria and his family moved into their new condominium in February, they got satellite television along with access to enclosed gardens and a swimming pool.

But they also got a euro-break. Largely because Spain has been accepted into the group of European nations that will adopt the euro as a single currency in January, interest rates here have plunged almost as low as those in Germany.

For the Santamarias, that translates into monthly

payments that are about \$140 lower than he had calculated when construction started three years ago. "It is much cheaper than we had expected," he said.

Like Mr. Santamaria, Spain has not had it this good in years. As much of Europe adopts the euro as a single currency, poorer countries like Spain, Portugal and Ireland are growing much faster than bigger and wealthier ones like France and Germany.

Since 1995, interest rates in Spain and Portugal have plunged to less than 6 percent from 11 percent, largely because interest rates across the euro zone are converging down at the levels of Germany, Ireland, with a well-educated work force and relatively flexible work

rules, has become an important manufacturing base for American companies exporting to Europe and a back-office location for companies doing business on the Continent.

While job creation continues to be stagnant in much of continental Europe, it is growing rapidly in places like Spain. And while consumers in Germany anxiously refrain from spending, demand is surging in the poorer countries.

"None of us is going to be the same five years from now — not us, not France, not Germany," said

See EUROPE, Page 7

Blair Faces Scandal

Britain's prime minister, Tony Blair, finds himself beset this week with allegations of cronyism between senior government officials and former associates who are now lobbyists, including claims that lobbyists passed knowledge of policy decisions to clients before the government informed Parliament. Page 10.

Newsstand Prices			
Andorra.....	10.00 FF	Lebanon.....	11.3,000
Antilles.....	12.50 FF	Morocco.....	16 Dh
Cameroon.....	1.600 CFA	Qatar.....	10.00 QR
Egypt.....	EE 5.50	Réunion.....	12.50 FF
France.....	10.00 FF	Saudi Arabia.....	10 SR
Gabon.....	1.100 CFA	Senegal.....	1.100 CFA
Italy.....	2,800 Lire	Spain.....	225 Ptas
Ivory Coast.....	1.250 CFA	Tunisia.....	1.250 Din
Jordan.....	1.250 JD	U.A.E.....	10.00 Dh
Kuwait.....	700 Fils	U.S. Mil. (Eur.)	\$1.20

Royal Son Meets Mistress

Prince William Greets Camilla Parker Bowles

By Warren Hoge
New York Times Service

LONDON — In a get-together that was not supposed to happen this soon, if ever, Prince William has unexpectedly met Camilla Parker Bowles, the companion of his father, Prince Charles, and the woman that his mother, Diana, Princess of Wales, held responsible for the breakup of her marriage.

A spokeswoman for Prince Charles confirmed the news and said she had no objection to its publication, fueling speculation that a move to gain public acceptance of Mrs. Parker Bowles as consort to the heir to the throne was resuming. That campaign had ended abruptly — some thought permanently — last Aug. 31, when Diana was killed in a car crash in Paris.

The spokeswoman said she felt publication did not violate the press agree-

ment to safeguard the privacy of the 16-year-old prince, but added that she hoped "the fact of William's meeting does not spill over into acres of intrusive, speculative gossip."

The Sun, Britain's largest daily tabloid, was the paper that turned up evidence of the meeting, and it devoted five pages of "World Exclusive" coverage to details of the encounter in its Thursday edition. The paper said it had held off publication for 24 hours at Prince Charles's request so he could tell his son that the matter was about to become public.

According to The Sun and other reports published Thursday, Prince William came into London from Eton, his boarding school in nearby Berkshire, on Friday evening, June 12, to go to the movies with friends. He made an unplanned stop at his newly decorated apartment in his father's quarters at St.



Prince William, who last month met with his father's companion.

James's Palace to change his clothes. Mrs. Parker Bowles, a frequent overnight guest, was there, and his fa-

See ROYALS, Page 10

China Tells Taiwan To 'Face Reality'

Call for Talks on Unification Follows Statement by Clinton

By John Pomfret
Washington Post Service

BEIJING — China urged Taiwan on Thursday to "face reality" and agree to negotiations on eventual reunification with China, following comments from President Bill Clinton that the United States would not support an independent Taiwan.

Taiwan, meanwhile, announced that it had agreed to a visit by a senior Communist negotiator in an attempt to prepare for resumption of high-level dialogue between the two rivals, separated by the 160-kilometer (100-mile) Taiwan Strait.

The developments indicate that after a three-year freeze, talks could begin as early as this fall.

They also underscore the important role that the United States has played in forcing Taiwan to go to the bargaining table.

Mr. Clinton's statement, which he made during his nine-day trip to China, was taken as a major defeat in Taiwan even though U.S. officials contended it was simply a reiteration of declared Washington policy.

President Clinton's remarks, made June 30 in Shanghai, made it clear that the United States would not support any independence bid by the island of 21 million people, nor would it support a

policy backing "one China, one Taiwan" or "two Chinas." Finally, Mr. Clinton said the United States opposed Taiwan's bid to enter international bodies that accept only sovereign states.

While the policy was first enunciated in October 1977, Mr. Clinton himself had never said it before.

Thus, it was taken as a major defeat in Taiwan, which relies on the United States for the bulk of its political support and for most of its weapons.

In Washington, Mr. Clinton's statement has drawn some criticism. On Tuesday, the Senate majority leader, Trent Lott, called Mr. Clinton's remarks counterproductive and threatened unspecified congressional action.

The Chinese government has said it was satisfied with Mr. Clinton's remarks, even though it had tried to get them in writing first.

Chinese officials have said that they plan to use such remarks as a lever to force Taiwan to participate in political talks on reunification.

Taiwanese officials say they want to limit any new talks to specific issues such as immigration, cross-border crime, fishing rights and protection of investments.

China rejects this limited approach and insists that a broader discussion of

See CHINA, Page 10

Anxious Nigeria Awaits Verdict on Abiola Death

Foreign Experts to Take Part in the Autopsy

By Roger Cohen
New York Times Service

LAGOS — Stores were shuttered on Thursday, isolated fires burned and streets were unusually empty as Nigeria anxiously awaited a verdict on the sudden death of its main opposition leader, Moshood Abiola, and the promised birth of a new democratic system.

The body of Mr. Abiola, who died on Tuesday, apparently of heart failure, in the capital, Abuja, was transported on Thursday to Lagos, but his precise whereabouts remained unclear amid concern that any public sighting of his corpse could ignite tumult. The Lagos state government imposed a dusk-to-dawn curfew.

International doctors, including three Americans, who are to conduct the critical autopsy, also arrived here, and Western officials said they would almost certainly examine Mr. Abiola's body on Friday. The more time that passes between death and a post-mortem, the more difficult analysis becomes.

"If everything goes according to plan, we should have the preliminary findings by the weekend," said one Western official. "If we find blockage

of the arteries, then everything will be pretty straightforward. But of course if the arteries are clear, then you have a whole new ball game."

Members of Mr. Abiola's family, who were gathered here for the funeral here in Lagos or his hometown, remain convinced that Nigeria's most charismatic political figure was poisoned on the eve of his promised release from four years of imprisonment. Several political leaders share the same conviction.

[The family also appealed for calm, Reuters reported. "The greatest honor we can do him in death is to embrace peace," the politician's eldest son, Kola Abiola, said in a statement.]

Nigeria's military rulers are trying to calm an angry nation by agreeing to allow the outside experts to take part in the autopsy and speaking, albeit in vague terms, of moving toward democracy. But the country remains poised on a knife-edge.

Debris and smashed glass littering several streets in Lagos testify to the sporadic rioting since Mr. Abiola died Tuesday. The riots underscored the explosive resonance of his name.

See NIGERIA, Page 10

War Crimes Treaty Stalls Over Inclusion of Rape

By Alessandra Stanley
New York Times Service

ROME — A dispute between women's groups and the Vatican over a legal term has broadened into a battle of religion and gender politics that could jeopardize agreement on whether rape will be declared a war crime by an international criminal court.

There is wide consensus at a United Nations conference that rape is a war crime that should be prosecuted by an international tribunal. Women's groups have fought to have a treaty include "enforced pregnancy" as a war crime, for the act of impregnating women and forcing them to bear children as tools of ethnic reprisal.

The Vatican agrees that such rapes are war crimes, but it is troubled by the term "enforced pregnancy," fearing it could be interpreted as an invitation to challenge anti-abortion laws in many countries. And that dispute has polarized many of the 159 delegations that have only days left to negotiate rules for a permanent tribunal to prosecute war crimes and crimes against humanity.

The battle has become one of the most glaring and painful examples of how contentious and intractable the process of negotiating a treaty on war crimes is.

The issue of "enforced pregnancy"

is marginal next to the more fundamental questions about the court's jurisdiction and authority. But it is one of many seemingly secondary issues that could thwart a consensus.

"Everybody is consumed by whether the big five issues can be resolved," said one member of a Western delegation who asked not to be named. "But we are forgetting that items six through 30 could just as easily throw a wrench into a successful negotiation of the treaty."

There is universal support at the conference for the principle that individuals who commit genocide or other atrocities should be held accountable. But the delegates are split over some of the basic issues of the court's jurisdiction.

Countries as closely allied as Canada and the United States are battling over how powerful and independent an international prosecutor should be. The United States, which fears that American peacekeeping troops could be dragged before international judges on frivolous charges, wants to limit the prosecutor's power to initiate cases.

Canada and some 50 other countries insist that unless the prosecutor has broad authority to bring charges independently, the court will lack authority. Many Third World countries worry that

See VATICAN, Page 10

Oil Industry Labor Shortage/A Way Up for Some Who Are Down

Learning the Drill at the School for Roughnecks

By Agis Salpukas
New York Times Service

ABILENE, Texas — For Daniel Shumate, a 32-year-old paroled, it's another chance to get his life on track. For Melissa Bolton, 23 and also a parolee, it's an opportunity to show that a woman can handle heavy work in the oil fields.

For Ruben Garza, 20, it's a way to break out of toiling at minimum wage.

And for Ben Hilgret, 21, a college student, it's a way to build up a stake that he can use to invest.

While their goals vary, these four share a single dream: to make it in one of the most physically demanding, dangerous and at times technically challenging jobs around — being a "roughneck" or laborer, on an oil rig.

Dripping with sweat, their clothes stained with grease and dirt, their bodies aching from wrestling with equipment weighing hundreds of pounds, they struggled recently to develop the skills and endurance needed for that life.

The site was a school for roughnecks here, run by the Texas Engineering Extension Service, part of Texas A&M University.

With starting pay of \$9 to \$13 an hour, and with shifts that can last 12 hours — a typical schedule is 14 days on, 14 days off — a worker can eventually make over \$200 a day working on an offshore drilling platform.

For everyone in this class of eight, becoming a "weevil," as new workers are called, would be a big step up the economic ladder. That is why they gave it their all in this monthlong class.

The school reopened in early April after closing four years ago, a victim of a boom that fizzled when oil prices hit bottom in the late 1980s. That boom left such a glut of workers that for years new opportunities in the field were almost nonexistent.

When prices strengthened several years ago, though, oil service companies suddenly found that a whole generation of workers had vanished, and they have been scrambling ever since to catch up.

So while oil prices have again fallen, hitting a nine-year low last month, the underlying need for new blood is so strong that there is still a healthy demand for all kinds of workers — from starting laborers, or "roustabouts," to chemical engineers.

THE PROFESSION has been so volatile, however, that even though Mr. Garza and two other graduates have gotten jobs, history seems to suggest that their budding careers could vanish at any moment. One reason the industry can withstand lower prices is that rapidly advancing technology brings down the cost and risks of finding oil.

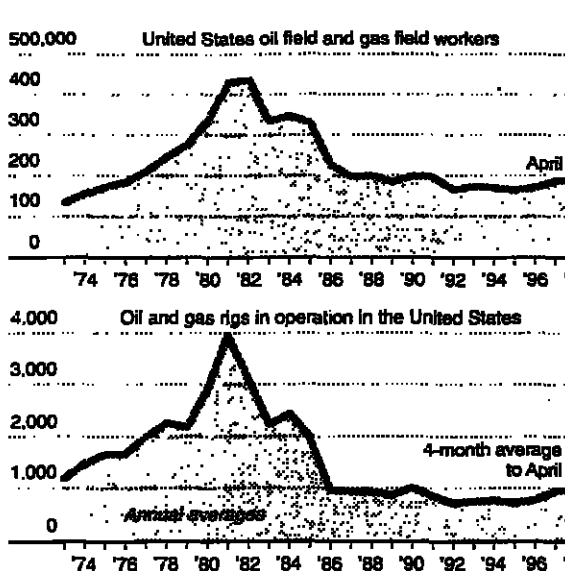
Even with advanced technology, however, the industry still needs strong workers who can take the punishing 12-hour shifts and stay mentally alert. These workers play a crucial role in bringing to surface the vast amounts of oil and natural gas the world uses each day.

Thus recruiters still come to the roughneck school to interview potential trainees.

Most get their start with smaller independent companies,

Hard Work If You Can Get It

For the first time since oil prices hit bottom in the late '80s, demand for oil field workers has increased.



then try to move to the majors, where jobs can be steadier and opportunities for advancement more numerous.

The lack of good entry-level workers has caused many drilling companies to begin their own training programs, and even offer such benefits as health insurance and 401(k) investment plans.

Many companies now send more veteran managers into the field to supervise workers. Green workers, executives said, are prone to make mistakes while learning a variety of tasks, from painting and scraping to handling expensive equipment.

"It's scary," said Michael Ronca, president and chief executive of Domain Energy Corp., a medium-size Houston independent that does a lot of drilling and exploration in the United States and the Gulf of Mexico. "We have to send our experienced people to baby-sit."

Even after extensive training, roughnecks "don't know what they are doing sometimes," he said.

Even though the jobs basically take brawn and endurance, one cannot just walk off the street and become a roughneck.

Working a drill rig takes teamwork and coordination, with even simple jobs on platforms, like cleaning and painting, involving an element of risk.

Wayne Davis, who runs the school and coordinates its safety program, told one class that in Alaska the decks of

offshore platforms are about 150 feet (45 meters) above the freezing water, with rapid currents.

"If you fall off," he said, "they've got five minutes to get you."

He also warns students about hydrogen sulfide, a highly poisonous gas that smells like rotten eggs. When released in drilling, it can quickly overcome workers and, in high concentrations, even kill them if they don't make a quick exit or don a protective mask.

Mr. Davis repeatedly stressed the importance of teamwork.

Some of the trainees did not finish the course because they found the adjustment difficult, said Dennis Hooper, an instructor at the school who began as a roughneck at age 15. He added, "You have to have that grit."

Ms. Bolton seemed to have it. After several weeks, she was able to maneuver huge wrench-like tools that weigh 500 pounds (227 kilograms).

During a training session, amid the roar of motorized drill bits and winches, she moved them smoothly just in time to tighten and loosen drilling pipe.

A COUPLE of months ago, she recalled, she was working as a nursing-home aide for \$4.35 an hour. But when her parole officer told her she could learn the trade that her father and brother made their living at, she jumped at the chance.

Ms. Bolton, her brown hair gathered into a ponytail under her hard hat, worked quietly and comfortably with the men on the rig.

She realized she would have a harder time proving she is up to the challenge. "They wonder, 'Can she do it?'" she said. "It just makes me want to prove more that I can."

Mr. Hilgret, a wiry University of Texas student, was attracted by the numerous ads offering jobs, but, when he called, found that everyone wanted experienced people. He decided to quit college for a while and come to the school.

"I want to make enough to invest in something," he said. Mr. Garza, strapping at 6 foot 2 (1.9 meters), has just started working with a crew near Laredo, Texas, for Grey Wolf Drilling. He is working 12-hour shifts, from 6 P.M. to 6 A.M., seven days straight. He earns \$10 an hour, but after 40 hours in a week, he gets the \$15 overtime rate.

When he is working, he lives in a six-bunk trailer with 10 other workers in the middle of a desolate area, often battered by wind-borne dust, where temperatures can reach 110 degrees Fahrenheit (43 centigrade). About the only diversion is satellite television.

Recently, some of his co-workers were laid off, but he was kept on because of his training.

For Daniel Shumate, who had been driving a cement truck for \$8 an hour — not enough to enable him to own a car — the school is his chance to "make it into the middle bracket."

After waiting for more than a month and a half, he just landed a job with an oil-well service company starting at \$6.25 an hour and has several prospects to work on an offshore platform at much higher pay.

He said he wanted to make it because if things don't work out, "I'm back to square one."

TRAVEL UPDATE

Cruise Terminal for Amsterdam

AMSTERDAM (Reuters) — The Amsterdam council approved ambitious plans on Thursday to build a new terminal for luxury cruise liners, reviving the city's heyday as a shipping center. Amsterdam port officials said the facility would be just east of the city center.

The Amsterdam Passenger Terminal, complete with shops, bars and underground parking, will be east of the city center in an area of old warehouses that used to store exotic cargoes from the Dutch colonies.

It is scheduled to open by the end of June next year at a cost of 110 million guilders (\$55 million).

Emergency Landing at Heathrow

LONDON (AP) — An American Airlines jet made an emergency landing Thursday after the captain took off for Boston and soon noticed a warning light indicating an oil filter was blocked.

The captain switched off one engine of the Airbus 300-600 that was carrying 174 passengers and 11 crew members and flew back to Heathrow Airport. Though hard braking ignited a small fire in the undercarriage, it was extinguished by emergency crews. No one was hurt, an airline spokeswoman said.

Car hijacking, usually at gunpoint and often with violence, is booming in South Africa's tourist mecca of Cape Town after years of steady decline, the police said Thursday. (Reuters)

A strike to protest proposals to reform the debt-troubled state railroad stopped all train traffic Thursday around Salonika, the port in northern Greece. (AP)

Correction

An article from Agence France-Presse in Thursday's edition, on the ownership of the Eiffel Tower, incorrectly abbreviated Credit Foncier de France as CCF, the initials of another French bank.

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Mubarak Flies Unopposed to See Gadhafi

Covered by Our Staff From Damascus

CAIRO — President Hosni Mubarak of Egypt flew to Libya on Thursday to meet with Libya's leader, Moammar Gadhafi, Libyan television said.

Mr. Mubarak, accompanied by a party of doctors, had advance permission to fly to Libya from the UN Security Council committee that oversees sanctions against Libya, a committee source said.

The committee source said the Egyptian UN mission requested permission Wednesday morning for a flight to take Mr. Mubarak and a team of four or five doctors to Libya.

Mr. Gadhafi had surgery on Monday on a hip said to have been broken while he was exercising.

The sanctions, imposed in 1992 for failing to extradite two men accused of the 1988 bombing of an airliner over Lockerbie, Scotland, include a ban on flights in and out of Libya. Exceptions

may be granted on humanitarian, religious and other grounds.

Under the sanctions committee's procedures, permission is automatic when there are no objections. Mr. Mubarak returned to Cairo later in the day.

Libyan television showed the arrival of Mr. Mubarak's presidential aircraft at an airport near the city of Beida.

The television later showed Mr. Gadhafi in a wheelchair welcoming Mr. Mubarak in a meeting room at an official building in Beida. It also showed a group of Egyptian physicians who were aboard Mr. Mubarak's plane going into a meeting with Libyan doctors who carried out the surgery on Mr. Gadhafi.

Since the surgery Monday, Mr. Gadhafi, 56, has been reported in good condition and to have resumed normal work Wednesday.

Mr. Mubarak has visited Libya many times since 1992 but has always driven across the border.

Accord Signed With Italy

Italy said Thursday that it had signed an accord with Libya to close a dark chapter of the colonial past, Reuters reported from Rome.

The reconciliation is part of Italy's efforts to shepherd Libya back into the international fold, and it marked Rome's growing diplomatic overtures toward Islamic countries.

"The document sets out, on Italy's side, to express regret for past events and, on both sides, to demonstrate determination to create a neighborly relationship that excludes hostile acts against each other," the Italian Foreign Ministry said.

Italy ruled Libya from 1911 to 1943. Libya has now agreed "to allow Italian citizens expelled from Libya to go into that country again, for reasons of work, family or tourism," the Italian statement said.

Language Police in Spanish Isles

The Associated Press

MADRID — The Balearic Islands, one of Europe's top tourist attractions, is forcing businesses that advertise or label products in foreign languages to also provide translations in Spanish or Catalan.

The Mediterranean islands of Majorca, Menorca, Ibiza and Formentera lure millions of tourists each year, many of them British and German. In some beach resorts virtually all advertising is in English or German.

Enforcing a consumer-protection law passed in March, inspectors have begun checking 1,000 establishments for foreign-language ads and labels, regional government officials said Thursday. Goods with exclusively foreign-language labels will be seized from store shelves immediately, an official said.

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DENMARK	DKK 7.50	2.50	25%
FINLAND	FIM 6.24	2.10	50%
FRANCE	FF 120	40	25%
GERMANY	DEM 132	44	25%
GREECE	GRD 2,000	660	25%
HONG KONG	HK\$ 7.25	2.42	25%
ISRAEL	NIS 120	40	25%
ITALY	ITL 1,200	400	25%
JAPAN	¥ 20,000	6,600	25%
MALAYSIA	MYR 1.50	50¢	25%
NETHERLANDS	FLG 1.50	50¢	25%
NORWAY	NOK 110	36	25%
SPAIN	PTAS 11,700	3,885	25%
SWEDEN	SKR 100	33	25%
SWITZERLAND	CHF 1.50	50¢	25%
USA	\$ 1.50	50¢	25%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST INT. OFFICE

WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.

Europe

Country	High	Low	High	Low
Algeria	26/27	18/19	26/27	18/19
Andorra	26/27	18/19	26/27	18/19
Austria	26/27	18/19	26/27	18/19
Belgium	26/27	18/19	26/27	18/19
Bulgaria	26/27	18/19	26/27	18/19
Croatia	26/27	18/19	26/27	18/19
Czechia	26/27	18/19	26/27	18/19
Denmark	26/27	18/19	26/27	18/19
Egypt	26/27	18/19	26/27	18/19
France	26/27	18/19	26/27	18/19
Germany	26/27	18/19	26/27	18/19
Greece	26/27	18/19	26/27	18/19
Hungary	26/27	18/19	26/27	18/19
Ireland	26/27	18/19	26/27	18/19
Italy	26/27	18/19	26/27	18/19
Japan	26/27	18/19	26/27	18/19
Korea	26/27	18/19	26/27	18/19
Latvia	26/27	18/19	26/27	18/19
Lithuania	26/27	18/19	26/27	18/19
Malta	26/27	18/19	26/27	18/19
Netherlands	26/27	18/19	26/27	18/19
Norway	26/27	18/19	26/27	18/19
Poland	26/27	18/19	26/27	18/19
Portugal	26/27	18/19	26/27	18/19
Romania	26/27	18/19	26/27	18/19
Russia	26/27	18/19	26/27	18/19
Slovakia	26/27	18/19	26/27	18/19
Slovenia	26/27	18/19	26/27	18/19
Spain	26/27	18/19	26/27	18/19
Sweden	26/27	18/19	26/27	18/19
Switzerland	26/27	18/19	26/27	18/19
Taiwan	26/27	18/19	26/27	18/19
Turkey	26/27	18/19	26/27	18/19
USA	26/27	18/19	26/27	18/19

North America

Country	High	Low	High	Low
Alaska	26/27	18/19	26/27	18/19
Arizona	26/27	18/19	26/27	18/19
California	26/27	18/19	26/27	18/19
Colorado	26/27	18/19	26/27	18/19
Connecticut	26/27	18/19	26/27	18/19
Delaware	26/27	18/19	26/27	18/19
District of Columbia	26/27	18/19	26/27	18/19
Florida	26/27	18/19	26/27	18/19
Georgia	26/27	18/19	26/27	18/19
Hawaii	26/27	18/19	26/27	18/19
Idaho	26/27	18/19	26/27	18/19
Illinois	26/27	18/19	26/27	18/19
Indiana	26/27	18/19	26/27	18/19
Iowa	26/27	18/19	26/27	18/19
Kansas	26/27	18/19	26/27	18/19
Kentucky	26/27	18/19	26/27	18/19
Louisiana	26/27	18/19	26/27	18/19
Maine	26/27	18/19	26/27	18/19
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New Hampshire	26/27	18/19	26/27	18/19
New Jersey	26/27	18/19	26/27	18/19
New Mexico	26/27	18/19	26/27	18/19
New York	26/27	18/19	26/27	18/19
North Carolina	26/27	18/19	26/27	18/19
North Dakota	26/27	18/19	26/27	18/19
Ohio	26/27	18/19	26/27	18/19
Oklahoma	26/27	18/19	26/27	18/19
Oregon	26/27	18/19	26/27	18/19
Pennsylvania	26/27	18/19	26/27	18/19
Rhode Island	26/27	18/19	26/27	18/19
South Carolina	26/27	18/19	26/27	18/19
South Dakota	26/27	18/19	26/27	18/19
Tennessee	26/27	18/19	26/27	18/19
Texas	26/27	18/19	26/27	18/19
Vermont	26/27	18/19	26/27	18/19
Virginia	26/27	18/19	26/27	18/19
Washington	26/27	18/19	26/27	18/19
West Virginia	26/27	18/19	26/27	18/19
Wisconsin	26/27	18/19	26/27	18/19
Wyoming	26/27	18/19	26/27	18/19

Asia

Country	High	Low	High	Low
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THE AMERICAS

CNN Won't Fire Arnett Over Errors

By Felicity Barringer
New York Times Service

NEW YORK — Executives of Cable News Network have decided to allow Peter Arnett to stay on as a correspondent despite his role in the network's repudiated report that Americans used the lethal nerve gas sarin on a secret 1970 military mission in Laos.

Peter Arnett's reprimand stands, said a statement issued Wednesday by Tom Johnson, chairman and chief executive of CNN News Group.

"No further personnel actions are planned."

The decision met mixed reactions among the network's journalists, some of whom felt Mr. Arnett, the correspondent who as narrator lent his credibility to the report, was being given a

break that had not been accorded to April Oliver and Jack Smith, the producers.

Both were dismissed by CNN last week. Both also say they stand by their report and argue that the network caved in under pressure.

Mr. Arnett's defense — that he was simply doing the bidding of the producers of the new program "Newsstand: CNN and Time" and reading words written by others — has proved a particular irritant to some of the other network correspondents.

Christiane Amanpour, whose reporting from areas like Bosnia and Iran has given her high visibility, vehemently denied that when reporting for a news-magazine program like "Impact," she narrated reports developed by others, as Mr. Arnett suggested in an interview.

"I believe, contrary to what Peter Arnett appears to believe, that a network correspondent should be responsible for what he or she says on the air," she said in a telephone interview.

"I believe that we have our face, our name, our voices and our credibility, and therefore we should be responsible."

Mr. Johnson said in an interview: "Journalists must assure the accuracy of their reports. It is the obligation of all journalists to be sure we have the story right."

Mr. Arnett, he added, has been "severely reprimanded" for not verifying the allegations.

Nonetheless, Mr. Johnson said: "On this, he did exactly what he was asked to do. He read the script for air and turned the information over to producers, including the interview with the mission's pilot."

The helicopter pilot who was interviewed by Mr. Arnett said his craft carried tear gas, not nerve gas, for use in the raid. This point was not included in the broadcast.

The decisions to cut or minimize denials of the report's central thesis about the use of nerve gas have come under sharp attack. The network retracted the report and apologized last week.

This came after a CNN investigation, headed by a noted libel lawyer, Floyd Abrams, determined that the information gathered by the producers in eight months of reporting did not substantiate the assertion that nerve gas had been used.

Ms. Oliver and Mr. Smith applauded the network's decision to retain Mr. Arnett. "This is a victory for reporters everywhere," Mr. Smith said.

"I am delighted that Peter Arnett's job has been saved, provided it's unconditional and that CNN management did not force him to take any positions that Peter felt he was forced to agree to, to save his job."

But Mr. Arnett did not see the decision as a victory. Speaking from the network's executive offices, he said: "Overall, this is not a victory for me at all."

"I feel that this story hurt CNN," he said. "It certainly hurt me. For those who say I should have been fired with the others — my reputation has taken a major hit around the world."

As for my colleagues who are fired — I know all of them. I'm sorry. I respect their work and I admire them."

Mr. Arnett's byline appeared, along with that of Ms. Oliver, on a Time magazine article about the September 1970 mission in Laos, which was code-named "Operation Tailwind."

Time, too, retracted the report and offered an apology.

Bill to Rein In IRS Wins Big in Senate

WASHINGTON — By an overwhelming bipartisan margin, Congress approved legislation Thursday revamping the Internal Revenue Service and expanding the rights of Americans battling the government's widely unpopular tax collector.

The Senate approved the measure by 96 to 2 two weeks after the House endorsed it by 402 to 8.

When President Bill Clinton affixes his promised signature, it will mark the most profound changes in the agency since 1952.

"Because of this reform legislation, it will mean a new day for the American taxpayer," said one of the authors, the Senate Finance Committee chairman, William Roth, Republican of Delaware.

Praise also flowed from Mr. Clinton, who had resisted attempts to overhaul the agency until after hearings in September.

Those televised sessions featured taxpayers and IRS employees who told tales of abusive agency conduct, creating unstoppable political momentum for change. (AP)

A Flag-Burning Ban Gaining in Congress

WASHINGTON — In one sense, a hearing Thursday before the Senate Judiciary Committee to consider a constitutional amendment to allow Congress to ban flag-burning was just so much rhetorical icing on the cake.

The committee approved the measure two weeks ago and hardly needed the inspiration provided by witnesses like the longtime baseball manager, Tommy Lasorda.

Mr. Lasorda denounced the Supreme Court for treating the flag as

Away From Politics

• A high-tech weather satellite that had been stored in orbit above Earth is being activated to replace an older satellite that is showing signs of failure. The GOES-10 satellite should be in full operation within 72 hours, the National Oceanic and Atmospheric Administration announced. (AP)

• A man who admitted forging papers to make it appear as if John F. Kennedy had an affair with Marilyn Monroe has been charged in New York with mail and wire fraud. (AP)

• The New York City Police Department is planning to equip its entire force with hollow-point bullets, which cause much greater injury to people they strike but are considered less likely to cut down bystanders. (NYT)

POLITICAL NOTES



GUN CURBS — Suzann Wilson, mother of a child shot and killed at a school in Jonesboro, Arkansas, weeping in Washington as President Bill Clinton called for Congress and the states to tighten restrictions to make it more difficult for children to gain access to guns.

Quote/Unquote

"just another piece of cloth" when it ruled in 1989 that burning a flag in political protest was a form of constitutionally protected expression.

But in another sense, this after-the-fact hearing was a preview of things to come.

After several false starts, and with little public notice this time, supporters of a flag-protection amendment appear closer to victory than at any other time since the effort began to overturn the court's 1989 decision in Texas v. Johnson. (NYT)

The House speaker, Newt Gingrich, as he joined a bipartisan attempt with President Bill Clinton on a \$1 billion government program to stop teen drug use: "It's important first of all to send a signal to young people that whether you're a Republican or a Democrat, you're committed to getting across the message that drugs are dangerous. This is a national message, not a political message." (AP)

NBC News Loses Case

Jury Orders It to Pay \$525,000 in Damages For Report Misrepresenting Trucking Firm

By Seth Schiesel
New York Times Service

NEW YORK — A jury in Maine has found that "Dateline NBC," the network's prime-time news program, was negligent in misrepresenting a 1995 series about the trucking industry and ordered the network to pay \$525,000 in damages.

The federal case in Bangor did not center on whether the two-part report was true. Instead, it focused on whether the NBC journalists had misrepresented the focus of the story and how the sources would be portrayed.

The plaintiffs in the lawsuit, the owners of Classic Carriers, based in Waterville, Maine, and one of the company drivers accused an NBC correspondent, Fred Francis, and a freelance producer, Alan Handel, of misleading them about the theme of a segment on the trucking industry.

The company's owners, Raymond and Kelly Veilleux, and the driver, Peter Kennedy, said Mr. Francis and Mr. Handel had conveyed that they were working on a positive story. The two-part series instead focused on safety violations by Mr. Kennedy and other truckers.

NBC argued that it had promised only to report accurately as a film crew joined Mr. Kennedy for a cross-country drive.

In the program, Mr. Kennedy re-

ferred to his driving log as a "joke book" and admitted falsifying entries so he could drive for periods longer than the law allows. At one point Mr. Kennedy drove from Chicago to Boston without sleep.

Mr. Kennedy argued that the program failed to reflect his views that he could drive for long periods without impairing his driving ability.

After deliberating for four and a half hours Tuesday and five hours Wednesday, the jury said the network and the show had committed negligence and misrepresentation and had inflicted emotional distress.

Mr. Veilleux was awarded \$300,000, Mr. Kennedy \$175,000 and Ms. Veilleux \$50,000.

NBC, a unit of General Electric Co., stood by the report Wednesday.

"NBC News believes our story was presented accurately and regrets that the jury came to a different conclusion," the network said. Kassie Carter, an NBC spokeswoman, said NBC was weighing whether to appeal.

It was the second time in six years that "Dateline NBC" found trouble with trucks. In 1992, as part of a segment on truck safety, the show broadcast footage of a General Motors truck bursting into flame supposedly as a result of a collision. It turned out that the program's producers had rigged the truck to explode more easily.

NO EXCUSES NO ALIBIS

THE INTERNATIONAL CRIMINAL COURT MUST BE ESTABLISHED ON JULY 17, 1998!



Only 7 days remain before the end of the Diplomatic Conference that started in Rome on June 15. Only 168 hours to achieve the establishment of an International Criminal Court to try War Crimes, Genocide and Crimes against Humanity. While key issues still remain unresolved, solutions are possible. It is only a question of political will.

50 years have passed since the Nuremberg Trial: in these 50 years the world has witnessed 250 conflicts with over 200 million deaths. Now, after years of preparation, it is clearly time to decide.

We can no longer avoid or postpone decision making. Objections and reservations can and must be overcome. On the most important and controversial issues - from the relationship between the Court and the UN Security Council to the powers of the Prosecutor, from the relationship between national and international jurisdictions to the financing of the Court - there are solutions that can be quickly refined. On these issues, which take into consideration several countries' positions and which

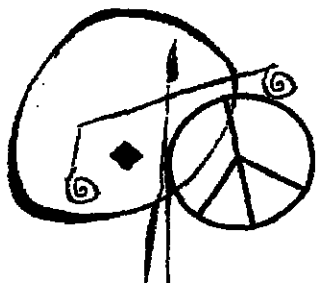
do not binder the establishment nor the effectiveness of the Court, it is possible to gather a wide consensus. Today, it is not only necessary, but also possible to finally equip the international community with an essential tool to establish a universal criminal jurisdiction, to create a Tribunal able to act in an independent way to prosecute the most egregious crimes and put an end to impunity insuring, at the same time, the appropriate safeguards for the accused, beginning with the exclusion of the death penalty.

At this juncture the world public opinion, men and women of goodwill will not understand any further delays or boycotting.

We ask you to keep your word:

BILL CLINTON BEFORE THE 1997 UN GENERAL ASSEMBLY
New York, September 22, 1997

“... and to punish those responsible for crimes against humanity — and to promote justice so that peace endures — we must maintain our strong support for the U.N.’s war crime tribunals and truth commissions. Before the century ends, we should establish a permanent international court to prosecute the most serious violations of humanitarian law ...”

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Over 1,000 parliamentarians from 70 countries endorsed a TRP appeal to establish the International Criminal Court at the Rome Diplomatic Conference. On July 14, a torch-light march will take ICC supporters from the Campidoglio to the FAO, seat of the UN treaty conference.

ASIA/PACIFIC

Indonesia's President Pushes Party Reform

He Says Policies Have Failed to Stem Crisis

The Associated Press
JAKARTA — President B.J. Habibie urged the ruling party Thursday to break with its authoritarian past. He said that government policies designed to revive the economy had failed to arrest Indonesia's crisis.

In a pessimistic address to a congress of the Golkar party, Mr. Habibie said the long financial crisis, which has stripped millions of people of their jobs, shows no signs of abating.

"The policies that have been taken by the government haven't been able to bring about concrete results," he said. "The rupiah exchange rate is still low, industry hasn't recovered and Indonesian financial markets are still lackluster."

Under the tutelage of the International Monetary Fund, Indonesia has been opening its economy, dumping monopolies and restructuring banks, in exchange for billions of dollars in loans.

However, the protests and riots that led to the ouster of President Suharto in May stalled the rescue package and scared investors away. Many fear more social unrest as the economic burden on poor Indonesians deepens.

Mr. Habibie has pledged democratic reform in an attempt to overcome the autocratic legacy of Mr. Suharto, who used Golkar as a vehicle to back his edicts and stage his re-elections through a special assembly. By this method he won seven five-year terms.

"Golkar has to take proactive steps toward national reform and Golkar has to reform itself," Mr. Habibie said on Thursday.

He said the party had to redefine its role and become "more responsive to the people's interests and their aspirations."

The party's chairman, Harmoko, also urged the hundreds of delegates, meeting at a five-star hotel, to make Golkar more democratic.

"It's not a shame to acknowledge the weaknesses and mistakes of the past," Mr. Harmoko said. "In the era of re-

form, we have to improve." He is likely to be replaced during the three-day congress.

Golkar officials are expected to dissolve a leadership council headed by Mr. Suharto, who is still technically the party's chief patron.

Two of his children, his eldest daughter, Siti Hardiyanti Rukmana, and his second son, Bambang Trihatmodjo, hold leadership roles in the party.

Mr. Habibie has announced that he will hold general elections next year. This could open the way for a challenge to Golkar's majority in Parliament for the first time in decades.

Outside the hotel, several hundred protesters gathered with banners to denounce Mr. Habibie and declare that Golkar's era was over. Police and soldiers stood by, but there was no violence.

"Golkar is dead. Why have a congress?" read one banner.



Indonesian demonstrators chanting Thursday as troops blocked them from the congress of the ruling party.

BRIEFLY

Muslim Guerrillas Battle Troops in South Philippines

PIGCAWAYAN, Philippines — Muslim extremist guerrillas on Thursday raided a town in the southern Philippines, sparking a gun battle with the army and causing hundreds of panicked residents to flee.

The Philippine military counterattacked with helicopter gunships and armored vehicles when about 200 fighters attacked the mostly Muslim town of Pigcawayan before dawn.

Mortar blasts and rockets fired by two military helicopters could be heard, but there were no immediate reports of casualties, local officials and witnesses said.

Mayor Eliseo Garcera said the fighters from the Moro Islamic Liberation Front were armed with rocket-propelled grenades and mortars. They seized farm animals and other valuables as about 2,000 Muslim and Christian residents fled the town, the mayor said.

U.S. to Issue Its Own Report On Elections in Cambodia

PHNOM PENH, Cambodia — The United States will issue an independent judgment of whether Cambodia's elections are free and fair and will not be bound by the assessment of an international group of observers, officials said Thursday.

Washington has already shown indications of drawing a harder line than other international players involved in the elections, refusing to supply direct election aid to the government led by Hun Sen.

No explanation was given for the decision to craft a separate judgment.

Missiles for India Backed

NEW DELHI — An Indian parliamentary panel has urged the government to press ahead with development of a full range of missiles, including new

versions of the ballistic missile, the Agni.

The multiparty committee said that both Pakistan and China had missiles that could reach any part of the country, and India had no credible deterrent against China.

Hanoi Jails 30 'Extremists'

HANOI — A court in Vietnam has sent more than 30 people branded "extremists" to jail for their roles in unrest that swept a province near Hanoi last year, officials said.

Violence over corruption and local abuse of power erupted in the province last year, and villagers held 20 police officers hostage for five days. (AP)

For the Record

Drought, tidal waves and cold weather have again limited crop production in famine-stricken North Korea, the official news agency said. (AP)

THE INTERMARKET

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UK (zone B) en A - TVA 17.5% (incl 5%) GO: 0.5750 FOD: 0.3476	
ALLEMAGNE (zone D) DM - TVA 16% GO: 0.91 SCOP: 1.28	
BELOQUE en FFA - TVA 21% GO: 20.85 FOD: 9.24 SCOP: 32.48 SCSP: 30.50	
HOLLANDE (zone E) MLG - TVA 17.5% GO: 1.222 FOD: 0.763 SCOP: 1.923 SCSP: 1.572	
LUXEMBOURG en LURI - TVA 16% GO: 17.74	
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EUROPE

U.S. Hardens Line in Talks on War Crimes Court

By Charles Trueheart
Washington Post Service

PARIS — With one week to go before diplomats conclude negotiations to establish a permanent international war crimes court, the United States offered its sharpest reservations to date Thursday about the scope and authority of the new court.

Negotiators from 160 nations meeting in Rome are coalescing around a compromise draft of an agreement that the Clinton administration may not accept, risking isolation from its traditional allies and unsavory international company.

David Scheffer, chief U.S. delegate to the five-week conference, said that "if the court seeks to overreach established customary international law" or "to shove aside national judicial principles" or "to create a single supranational investigative mechanism," then "we will have created an institution with limited membership and dubious credibility."

A European delegate said that the restrictions the United States seeks on the independence of the court are tougher than any of those applied to the Nuremberg and Tokyo war crimes tribunals after World War II.

He characterized Mr. Scheffer's speech on Thursday as a veiled threat to abandon the conference if U.S. demands were not met.

The United States laid out its conditions in response to a "discussion paper" presented by the conference chairman, Philippe Kirsch of Canada — in effect, a draft of a final treaty that seeks to resolve key points of contention before July 17, when the conference ends.

Some of the 250 human rights and international justice organizations at the conference credited the United States with negotiating concessions on several

points, including accepting the court's authority to investigate war crimes in the context of internal conflicts. They also praised apparent U.S. willingness to compromise on another issue by agreeing to limits on the power of the UN Security Council in blocking or delaying an independent prosecutor's investigations if they clashed with UN peacemaking operations.

But the United States is opposed to language that has the support of a large group of influential, mostly Western nations: Authorizing the prosecutor, with a pretrial chamber's review, to mount investigations without a specific request from the Security Council or an affected state party.

To the United States, along with such other major powers as China and India, such a statute raises a "fearful specter of a human rights ombudsman open to, and responsible for, responding to any and all complaints from any source," the U.S. envoy to the UN, Bill Richardson, said on a visit to Rome. "We are not here to create a court that exists to sit in judgment on national systems."

Human rights and international law organizations pressing for a strong court argue that the Clinton administration and its negotiator are hamstringing by the opposition of Senator Jesse Helms, chairman of the Senate Foreign Relations Committee, which would review any treaty, and of certain elements in the U.S. military and intelligence establishments. Mr. Helms has said that he will not support any international court before which it is even theoretically possible that an American citizen might appear.

Diplomats and human rights observers say at least 60 of the 160 nations at the conference are inclined to support the emerging compromise language.

"But will the political courage be there next week to resist the pressure that this court should not apply

to Americans?" said William Pace, who heads the coalition of more than 200 nongovernmental organizations monitoring the negotiation. "A court that's safe for Jesse Helms is a court that's safe for the Poles and the Hungarians."

Throughout the conference, human rights observers and scholars monitoring the establishment of a permanent criminal court have had to steer between a treaty that accommodates the largest possible number of signatories at the expense of the court's authority and sweep, or one that is likely to garner fewer immediate signatures but maintains what proponents view as its integrity.

The United States is in the first group. "We have concluded that this should not be a club court, but a community court," Mr. Scheffer said. "We have to pull back from an idealistic vision of this court on paper. It just won't be effective in practice if it doesn't have a broad membership."

Many large nations that publicly support a court and are trying to bend the treaty toward their positions may not finally sign the treaty, at least in the immediate future. In that group are the United States, China, Indonesia, Pakistan, India, Iraq, Iran, Libya, Cuba, and Sudan, not company the United States wants to keep on a major issue of international law and justice, according to other governments and nongovernmental organizations.

Many European nations are seeking to meet U.S. objections and concerns, judging that an international court not recognized or supported by the United States is not likely to have much effectiveness. But, the European diplomat said, there was a risk that concessions to the United States might alienate core support. "To get the Americans on board we can't throw 60 countries overboard."

Uneasy Northern Ireland Faces 'Awesome Prospect'

Time Running Out for Solution, Trimble Says

By James F. Clarity
New York Times Service

BELFAST — David Trimble, the new first minister of Northern Ireland and head of the Protestant Ulster Unionist Party, said Thursday that the British province "faces a quite awesome prospect" if no compromise was reached in the next few days over the government's decision to ban an Orange Order parade from marching through a Roman Catholic community in Portadown, west of here.

"Time is running out," he said at a Belfast news conference, "and this society faces a quite awesome prospect if between now and the weekend we do not find a satisfactory way out of it."

Mr. Trimble, who was chosen last week as head of the new Northern Ireland Assembly, which is supposed to enact the peace agreement approved in the spring, spent the day trying, apparently to no avail, to arrange a compromise between Orange Order Protestants and Catholics, who resent Orange parades in their neighborhoods.

Talks in London between Orange Order leaders and Prime Minister Tony Blair also failed to produce progress toward compromise.

Mr. Trimble spoke as sporadic violence continued across Northern Ireland.

Leaders of the Orange Order, meanwhile, disagreed with one another on how to deal with the British government's refusal to let them stage the march in Portadown.

Public anxiety grew as some Orange officials threatened to bring ordinary life here to a standstill, as other Protestants had done in 1974. Others indicated that they were still willing to compromise, to agree to a small, token parade without the traditional military five-and-drum music that Catholics find offensive and triumphalist.

Robert Saulters, the grand master of the order, accused Catholics of "apartheid" and "ethnic cleansing."

Catholics said that Protestant mobs at the edge of the security cordon around the Catholic area of Drumcree were trying to starve them by preventing access to shopping areas.

Officials continued to try to persuade the Catholics to accept a token march. But the Catholics insist on direct talks with the Orangemen. But the Orangemen refuse to talk to the Catholic leader, Brendan MacDonagh, who served time in a British prison for his role in an Irish Republican Army bombing.

Cold War Commerce

The Underbelly of the Berlin Airlift: East Met West in Clandestine Trade

By Alan Cowell
New York Times Service

BERLIN — Half a century after the Berlin airlift, heroic images endure: courageous West Berliners under Soviet siege, saved from starvation by valiant American and British pilots flying food and fuel to the beleaguered Cold War outpost.

Lothar Schulze, though, has a slightly different version: To valor and pluck, add bribery, corruption and bootlegging.

Mr. Schulze, 70, was one of the hundreds of thousands of Berliners under Soviet occupation when the Berlin airlift started in response to the Soviet blockade of the Western sectors of the city in June 1948.

Since he lived in East Berlin, he was in theory severed from the Western benefits.

'In the end we were all Berliners. We gave them potatoes and gas. And they traded things from the American airplanes.'

cence that over the ensuing months brought 2.3 million tons of food, fuel and medicine to the Western part of the city. American and British pilots flew a staggering 278,000 missions in what has been depicted as one of history's greatest logistical feats.

That was the big picture. On the ground, though, Mr. Schulze said, a little devilishness went a long way.

"On our side," he said, "we had things the West Berliners wanted, like gasoline and fresh potatoes. And they had things we wanted."

Among these was the new currency that the victorious Western powers had just introduced in their zones of occupation. Its arrival on the fiscal scene of postwar Germany inspired the Soviets to blockade West Berlin — offering a foretaste of the clash of economic systems underpinning the Cold War.

The idea that the blockade

might have been more porous than history has suggested is gaining ground in Germany and the United States. In a recently published study called "No Struggle for Berlin?" (Bouvier Verlag), the journalist Volker Koop goes so far as to state: "It is not true that for 11 months, 2.5 million Berliners were cut off from the outside world. That is a legend."

Gisela Bilski, who was 13 when the airlift started, said, "If it hadn't been for us East Berliners, people in the West would have starved or frozen to death." She should know: she says smuggling fruit, coal and butter to the West cost her two days' detention and interrogation by Soviet authorities.

The young Lothar Schulze had a distinct advantage: His father owned a gasoline station in East Berlin, and his mother worked in West Berlin, so he was well placed to add a footnote of enterprise to the great rescue from the skies.

At that time the Berlin Wall did not exist — it was built in 1961 — and getting around the city was easier than it later came to be.

The guards enforcing the separation, Mr. Schulze said, were not so professional that they could not be persuaded to look the other way.

How? "By bribing them, of course," he said with an uproarious chuckle.

"The Westerners would come over to get gas from our filling station and pay us with the new marks, which was supposed to be forbidden, like most things were," Mr. Schulze said.

"But we knew one another," he said. "We weren't strangers because in the end we were all Berliners. So we did business. We gave them potatoes and gas. And they traded things from the American airplanes."

In other words, the rules of the market outgunned Communist ideology as much in 1948 as they did in 1989, when the wall came crumbling down.

None of this is seen here as belittling the airlift, which not only assured West Berlin's survival as a Western bulwark 175 kilometers (110 miles) inside East Germany, but also stamped a heroic view of America.



Germans in Berlin unloading coal from a U.S. Air Force plane during the blockade in the summer of 1948.

BRIEFLY

Cypriots Now Trained for Missiles

MOSCOW — Russia has completed training Cypriot troops in the use of anti-aircraft missiles it is expected to ship to the Greek part of the divided island in the coming months. Interfax news agency said Thursday.

Quoting unnamed military sources, Interfax said Russia's rocket forces had trained Cypriots on the S-300 anti-aircraft system in the Astrakhan region of southern Russia.

Turkey has warned that it might use force to block deployment of the anti-missile system it views as a threat to both its own security and that of the Turkish Cypriots.

The United States has said it is willing to explore the possible creation of a no-flight zone over the island to head off the looming crisis. (Reuters)

Yeltsin's Health Is Poor, Aide Says

MOSCOW — President Boris Yeltsin's health is so poor that he cannot maintain a vigorous work schedule and should not run for another term in office, a senior aide said in an interview published Thursday.

The remarks by Igor Shabdrasulov contradict the standard Kremlin line that the president's health is strong.

"You can't say that Yeltsin is in ideal physical shape, that he's full of energy and activity to work round the clock," Mr. Shabdrasulov, Mr. Yeltsin's recently appointed deputy chief of staff, said in an interview with the liberal daily Russky Telegraph. (AP)

Sweden Reports on Nazi Gold

STOCKHOLM — Almost half of the gold Sweden received from Nazi Germany may have been taken from victims of World War II, a Swedish government commission said Thursday.

In an interim report, the Commission on Jewish Assets said Sweden, which was neutral during the war, bought this gold even though the central bank governor suspected that some of it may have been taken from individuals.

The commission chairman, Rolf Wirtén, said that from today's perspective "it can be established that the moral aspect should have been considered openly" not later than the summer of 1944, when a suspicion had actually arisen. "Unfortunately," he added, "this does not appear to have been the case." (Reuters)

Tillman Durdin, Old China Hand, Dies

By Eric Pace
New York Times Service

Tillman Durdin, a longtime foreign correspondent for The New York Times who was one of the first to write about the Japanese atrocities in China that became known as the Rape of Nanking, died Tuesday at the Green Hospital in San Diego. He was 91 and lived in San Diego.

In late 1937, the year Japan invaded China, Mr. Durdin found himself in Nanking, then the Chinese capital, when it was occupied by the Japanese Imperial Army. There he became an eyewitness to the beginning of months of atrocities inflicted on the Chinese by Japanese troops.

After several days of watching in horror, Mr. Durdin and several other correspondents left the city, now known as Nanjing, for nearby Shanghai in order to send dispatches to their newspapers

without hindrance from the Japanese.

"Just as Mr. Durdin boarded a ship bound for Shanghai, he saw 200 Chinese men being executed by the Japanese Army," said Iris Chang, a historian who wrote the best-selling book "The Rape of Nanking" (Basic Books, 1997).

"He not only wrote the pages of history under pressure, but tried to save Chinese lives in Nanking. He should be remembered as an exemplar of humanity and courage in the darkest of times."

In a dispatch to The Times shortly after he arrived in Shanghai, Mr. Durdin wrote: "Just before boarding the ship for Shanghai, the writer watched the execution of 200 men. The killings took 10 minutes. The men were lined against the wall and shot. Then a number of Japanese, armed with pistols, trod nonchalantly around the crumpled bodies, pumping bullets into any that were still kicking."

From Shanghai he also wrote: "The conduct of the Japanese Army as a whole in Nanking was a blot on the reputation of their country."

"Their victory was marred by barbaric cruelties, by the wholesale execution of prisoners, by the looting of the city, rapes, killing of civilians and by general vandalism."

"Every able-bodied male was suspected by the Japanese of being a soldier," he wrote. "Civilians of both sexes and all ages were also shot by the Japanese," and, "Any person who, through excitement or fear, ran at the approach of the Japanese soldiers was in danger of being shot down."

Mr. Durdin was born in Elkhart, Texas, on March 30, 1907, attended Texas Christian University and as a reporter and editor of English-language newspapers in China from 1930 to 1937. He joined the staff of The Times in 1937 and retired in 1974.

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INTERNATIONAL

Dow Corning Settles Breast-Implant Lawsuit

By David J. Morrow
New York Times Service

NEW YORK — Dow Corning Corp. and lawyers for tens of thousands of women claiming injury from silicone breast implants have agreed to a \$3.2 billion settlement, a long-awaited step toward ending one of the most heated disputes in American corporate history.

The tentative agreement would end a legal battle of nearly a decade and allow the plaintiffs to receive money as early as next year.

It would also enable Dow Corning, a joint venture of Dow Chemical Co. and Corning Inc., to emerge from Chapter 11 bankruptcy, which the company entered in 1995 for protection from as many 19,000 implant-damage suits.

The agreement leaves unresolved, however, the dispute between the two sides over the extent of harm from silicone implants. While localized complications from leaking implants are well documented, Dow Corning, supported by a growing body of research, has denied throughout the battle that implants cause systemic illness like autoimmune disorders.

One factor apparently pressuring both sides toward agreement, a participant in the negotiations that led to the settlement said, was a report expected later this year by a panel of doctors and other

scientists evaluating the scientific evidence; neither side wanted to wait and risk damage to its case.

And for Dow Corning, resolving its potential liability from implant suits was necessary to win a federal bankruptcy judge's approval of its corporate restructuring.

"While many of the details remain to be worked out over the next two months, this settlement is a breakthrough in an incredibly complex case," said the president of Dow Corning, Gary Anderson. "At a certain time in a controversy, both sides need to agree to disagree and look together to find common ground."

Tommy Jacks, a lawyer for the plaintiffs, said that if he had needed to go into court "to debate the science of silicone implants, I would still be in there, and these women who had suffered would not have any money."

The agreement, which is part of Dow Corning's restructuring plan, requires approval by a two-thirds vote of the 170,000 women who filed claims against the company, which was once the largest manufacturer of silicone implants, and by Dow Corning's creditors. Lawyers for the women were hopeful Wednesday that they would approve the agreement, enabling some to secure money for injuries sustained two decades ago.

A federal bankruptcy judge in Bay City, Michigan, Arthur Spector, is overseeing the bank-

ruptcy case of Dow Corning, which is based in Midland, Michigan. On Wednesday, the judge re-appointed a Duke University law professor, Francis McGovern, to mediate the rest of the agreement. Both sides were quick to point out that many of the details had yet to be worked out.

For many women who are plaintiffs in the case, the agreement was almost too good to be true.

"I need more details, but I'm hopeful it is a beginning," said Peggy Pardo, an implant recipient living in Addison, Illinois, a Chicago suburb. "Dow Corning will get on with business and these women will have to get on with their lives, but a lot of them have been destroyed."

Seldom has a consumer health issue divided corporations and their customers so bitterly. Between 650,000 and 1 million women received silicone breast implants during the 1970s and 1980s. The legal disputes started soon after, as women complained that leaks from the implants had damaged their health. Heading an outcry from the public, the Food and Drug Administration asked that the implants be removed from the market in 1992.

Besieged by lawsuits, the breast-implant manufacturers agreed in September 1993 to settle all litigation with a pay-out that would have totaled \$4 billion. The deal eventually fell apart, although several manufacturers settled with their claimants two years later.

Where Is Zapatista Rebel Chief?

Subcommander Marcos Hasn't Been Seen Since February

By Julia Preston
New York Times Service

OVENTIC, Mexico — The Zapatista Indian rebels who were standing watch at the gated entrance to this village the other day were terse when asked about the leaders of their guerrilla army.

"The top commanders are not here," a rebel said gruffly through an orange bandana. "We don't know where they are. Our orders are not to talk to anyone."

The sentinels outside this rebel stronghold in the Chiapas mountains were fielding a question that was familiar, because virtually everyone is asking it these days: Where is Subcommander Marcos, the chief strategist and spokesman of the Zapatista National Liberation Army?

Mr. Marcos has been a prolific author of long-winded communiqués, essays and political fables composed in colorful ironic prose that he issues by electronic mail from his hideouts, believed to be in the jungles of Chiapas. But since late February, he has been silent.

In the last two months, the government sent troops to crush offices of "mayors" that the Za-

pistas had set up in four towns in opposition to officials from the government's party. At least six rebels have been killed in the attacks, and dozens have been jailed.

Yet Mr. Marcos said nothing. Government officials say his real name is Rafael Sebastián Guillén Vicente. But the public is not entirely sure of his identity, because he has not been seen without his ski mask.

On June 7, Bishop Samuel Ruiz García, the leader of the Roman Catholic diocese that includes most of the Indian villages in Chiapas, resigned as the central mediator in peace talks between the government and the Zapatistas protesting the government crackdown. Mr. Ruiz was the only person in the negotiations, which are stalled, whom the wary Zapatistas seemed to trust.

Still Mr. Marcos said nothing when the bishop stepped down.

A group of federal lawmakers who also mediate went to Chiapas in mid-June to try to make contact with Mr. Marcos. They did not find him.

The leader's last appearance was on a videotape that he sent on

Feb. 28 to a delegation of European human rights observers. The lack of response from Mr. Marcos and the top Indian leaders has left the appearance of disarray in the guerrilla army. On June 10 in the town of El Bosque firefighters erupted when Zapatista militia members shot back at government forces. That was the first time that the Zapatistas had broken a cease-fire in Chiapas in more than three years.

A Government Proposal

The Mexican government issued a new proposal late Wednesday for ending political violence in the southern state of Chiapas but said it did not plan to withdraw the army from the zone. Reuters reported from Mexico City.

"The Mexican Army will not withdraw from the state of Chiapas," read one of the five points listed in the plan.

The proposal, however, said that if peace talks with Zapatista rebels were restarted, the government would take "the first step in a series of actions and measures making up a progressive framework for a bilateral and reciprocal easing of tensions."



WAR-READY — Nuns at the Devic Convent bricking up a window to protect themselves from danger of clashes between ethnic Albanians and Serbian police.

10 Killed as Bomb Hits Crowded Algiers Market

ALGIERS — A bomb ripped through a market in a poor district of Algiers on Thursday morning, killing 10 civilians and wounding 21, security forces said.

Residents said the bomb, hidden in a bag, exploded at a crowded flea market in the Oued Kenich neighborhood. Markets have been targeted in previous bombings. At least 16 people were killed and 61 wounded May 22 when a bomb exploded in a market in an Algiers suburb.

The blast occurred a day after security forces said that troops shot and killed seven Muslim rebels in a forest in Bouzareah, on the heights of Algiers. (Reuters)

Dutch Seek Extradition Of Ex-Suriname Ruler

THE HAGUE — The Dutch government said Thursday that it had asked authorities in Trinidad and Tobago to arrest and extradite a former Surinamese military ruler, Desi Bouterse, on drug trafficking charges.

A Foreign Ministry spokesman said that the extradition request had been submitted as soon as the Dutch government learned that Mr. Bouterse had left Suriname and was on his way to Trinidad. There is an outstanding international warrant for Mr. Bouterse's arrest, the Dutch public prosecutor's office said.

On Wednesday, President Jules Wijdenbosch of Suriname confirmed that Mr. Bouterse had left the country. Mr. Bouterse ruled the former Dutch colony for seven years in the 1980s. (Reuters)

Oil Price Slump Hits Mexico Budget Again

MEXICO CITY — The Mexican government has announced its third budget cut in six months, saying it could not finance its current spending plan because of falling world oil prices.

Mexico is the world's fifth-largest pro-

ducer of oil, which accounts for 38 percent of the country's revenues. But the glut of oil on world markets and the plunge in prices have created a \$4.3 billion shortfall for 1998 budget commitments.

The government has made up most of the difference by slashing \$3.7 billion in the overall budget of \$107 billion in three rounds of spending cuts. Many politicians and analysts had looked forward to strong growth and robust public spending this year to make up for the economic strictures of 1995 and 1996. (WP)

Brazil Sets Up Program To Battle Amazon Fires

BRASILIA — Brazil has launched a plan to prevent and extinguish forest fires in its Amazon region amid fears that dry conditions there may lead to a repeat of a huge blaze such as the one earlier this year in northern Roraima state.

The program includes the creation of a rapid deployment team of 500 firefighters capable of reaching any part of Brazil's Amazon in 48 hours. But it seeks mainly to teach poor farmers to use fire to clear land only under controlled conditions. (Reuters)

Death Sentence Given In Kenya Murder Trial

NAIROBI — Two men charged with killing a British tourist have been sentenced to death in a separate trial for killing another man, newspaper reports said Thursday.

The Kenyan defendants also have been on trial on separate homicide charges, one for killing a Kenyan teacher in January and the second for stabbing to death a British tourist, Roy Chivers, on Feb. 15.

On Wednesday, a magistrate in Nyeri, in central Kenya, sentenced Peter Huhu Gachau and Simon Njoroge Wairimu to death by hanging for the Jan. 13 murder of the teacher, Mwariri Wachira. They were convicted July 3. Mr. Gachau and Mr. Wairimu could receive another death sentence if found guilty in the Chivers murder. That trial is to resume next Thursday. No execution has taken place in Kenya in more than a decade. (AP)

Quake Hits Azores, Killing 5 and Leaving 1,000 Homeless

LISBON — An earthquake shook the Azores, the Portuguese islands in the Atlantic Ocean, just before dawn Thursday, killing at least five people and leaving about 1,000 homeless.

The quake measured 5.8 on the Richter scale, and its epicenter at sea was 15 kilometers (9 miles) northeast of Faial Island, one of the group's nine

volcanic islands, a spokesman for Portugal's National Seismological Institute said.

Helena Vaz, spokeswoman for the Azores Civil Protection Service, said that at least 40 people were injured and about 1,000 left homeless on Faial, an island with a population of about 5,000 and the one that was the hardest hit by the quake.

Two Portuguese Air Force

Puma helicopters were being used to take casualties to the hospital in Horta, Faial's main city.

An Air Force C-130 transport plane carrying emergency aid was due to leave Lisbon with sniffer dogs, medical teams, electricity generators, rescue experts, 2,000 blankets and 160 army tents, Antonio Capinha, a spokesman for the Internal

Affairs Ministry, said.

"What they need mainly at the moment is sniffer dogs to find people who may be buried in the rubble of their own homes," Mr. Capinha said.

Prime Minister Antonio Guterres canceled a weekend vacation with Prime Minister Jose Maria Aznar of Spain to fly to the Azores.

The Portuguese state television network RTP showed

images of the small Faial village of Ribeirinha with families standing about in their nightwear in the bright morning sunshine as they surveyed the damage to their houses and cars.

Residents said the quake lasted between 15 and 20 seconds and was followed by a series of minor aftershocks. It hit at 5:22 A.M. local time on four of the islands, which lie 1,300 kilometers west of Portugal, Portuguese state radio reported.

Besides on Faial, rescue services also were alerted on the islands of Pico, Sao Jorge and Terceira, where the U.S. Air Force has a base, the radio said. Gregory Adams, a spokesman at the U.S. Embassy in Lisbon, said there was no damage reported at the base.

EUROPE: The Poorer Economies Are Enjoying New Prosperity

Continued from Page 1

Rodrigo Rato, Spain's economics minister. "We are all moving toward a new era of more competitiveness and more openness."

Ireland, one of the poorest countries in Western Europe in 1990, is rapidly catching up with the rest of Europe in terms of per capita income. Its economy is growing by more than 8 percent this year — compared with about 3 percent for the European Union as a whole.

Indeed, with real estate prices soaring and labor shortages cropping up in some areas, the biggest worry among economists is that Ireland is headed toward an overheated economy.

Spain and Portugal are growing at about 4 percent this year — faster than almost anywhere else on continental Europe. Their stock markets have been among the best performers in Europe, as investors have bet that interest rates will remain low and stable for years to come.

"It is a gift, essentially, a gift from abroad," said Miguel Sebastian, chief economist at Banco Bilbao Vizcaya in Madrid.

To be sure, part of the current boom is simply catch-up. These countries are bouncing back from past problems, in particular Spain's severe recession in the mid-1990s. Though Spain has generated about 400,000 new jobs since the start of 1997, its official unemployment rate is still 19 percent, one of the highest in Europe.

"What we are living through now is the rapid correction of past imbalances," said Ignacio Gomez-Montejo, Merrill Lynch's chief equity analyst in Madrid. "We are being rewarded for correcting our mistakes."

Meanwhile, the center-right government of Prime Minister Jose Maria Aznar has pushed through several reforms aimed at bolstering employment and investment. It has promoted fierce competition in banking and privatized about \$25 billion worth of state-owned companies. And soon after taking power in 1996, Mr. Aznar's government drastically cut the tax on capital gains, reducing the top rate to about 20 percent from

more than 60 percent. Now the government is pushing through a much broader tax reform that would reduce income tax rates by closing loopholes.

The government, under Mr. Aznar and his predecessor, Felipe Gonzalez, has also made it easier for companies to hire workers on temporary contract. Though full-time jobs are still relatively scarce, temporary jobs have soared. But perhaps the biggest change in Spain is one of outlook: a new willingness by domestic companies to look abroad for opportunities. Since joining the European Union in 1986, Spain has steadily increased its volume of trade with the rest of Europe. As recently as 1990, Spanish exports and imports comprised about 40 percent of the country's gross domestic product. Today, foreign trade in both directions comprises about 70 percent, the lion's share with other European countries.

The new confidence is apparent in Elche, a city on Spain's southern coast that is the heart of its shoe industry. Bolstered by low interest rates and cheap money, nearly 50 companies are building factories and office buildings at the city's newest industrial park.

"Financial costs used to account for about 5 percent of a company's expenses," said Jose Pertusa Romero, a partner in Gesem, a consulting firm in Elche. "But in the last year, interest rates have declined, and those costs have been cut in half."

Juan Peran, the founder of Pikolinos SA, exemplifies the new mood. A small, wiry craftsman who started his company from scratch in the mid-1970s, Peran spent years stamping out cheap plastic shoes. But five years ago he began designing and marketing his own line of high-fashion shoes for the export market.

The strategy has worked. Pikolinos has more than tripled its sales volume since 1992, to 1.1 million pairs of shoes from about 300,000, and the profit on each pair has increased significantly. About 80 percent of the company's sales are to other European countries.

Mr. Peran recently moved the company into a gleaming glass-covered building at the industrial park. There,

shoe designers work out their ideas by creating three-dimensional models on computers, and robotic cutting machines transfer those ideas into precise strips of leather that are then sewn into prototypes.

"I am still a shoemaker, but this is the way we create about 80 percent of our designs," Mr. Peran said.

Economic growth is bolstering job gains in Spain, Portugal and Ireland. Though Spain's unemployment rate remains high, economists and government agencies calculate that about 400,000 new jobs have been added since the start of 1997, and many others have probably been created in the underground economy.

Portugal has had even greater success. Its unemployment rate has declined to about 6.3 percent from 7.3 percent in 1996 — about half the level of Germany and France. And Ireland, with employment of 1.3 million, has added 50,000 jobs since 1995.

Though the evidence is mixed, many economists say the trend toward hiring people in "peripheral" countries stems partly from lower wages but perhaps more from greater flexibility, even though labor laws are often just as strict.

In Ireland, economists say the quality of workers is at least as important as the cost of wages. "Most of the new jobs are coming from knowledge-intensive industries, not labor-intensive industries," said Terry Baker, an economist at the Economic and Social Research Institute in Dublin.

Fifty percent of people entering the work force in Ireland have college educations, and their educations have often been tailored toward technical skills. Ireland's biggest growth areas have been in computer and software companies, from Microsoft to Dell Computer to Intel.

Spain has loosened its work rules. Although full-time permanent workers benefit from some of the strongest job-protection laws of any nation, new laws allow companies to hire workers on temporary contracts — often for years at a time. About one-third of all workers in Spain are on temporary contracts, one of the highest levels in the world.

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Back to Moscow

When President Bill Clinton said he would not go to Moscow until Russia's Parliament ratified the START-2 treaty, his understandable motive was to press for progress in arms control that would benefit both countries. But the gambit, if it ever made sense, long ago moved into the realm of the counterproductive. It allowed U.S.-Russian relations to be held hostage by the Duma, or lower house of Parliament, which is dominated by deputies who have no great interest in promoting U.S.-Russian relations. So Mr. Clinton was right this week to schedule a September trip to Moscow to meet with President Boris Yeltsin, even though START-2 will not have been ratified by then.

As it happens, Mr. Clinton's decision comes at another moment of great peril for Russia's young experiment in democracy. This time the danger is financial. A combination of spillover effects from Asia's financial turmoil and, more salient, shortcomings in Russia's own fiscal and economic policies has put in danger the nation's progress in stabilizing the ruble and controlling inflation. A real run on the currency could have dire consequences, not only for Russia but for many of its neighbors, too. The crisis has once again put Russia in the role of supplicant to the IMF.

By the time Mr. Clinton actually travels to the Kremlin, there is no

telling what the situation will be; two months can be several eras in Russia's timetable. But certain principles hold true no matter how the current crisis turns out. One is that, in the end, only Russia can make the decisions necessary to save its economy. Its process of economic restructuring is certain to be long and bumpy; the legacy of Soviet misrule is simply too heavy to be shrugged off in a few years.

But it holds just as true that the United States has, as always, a great interest in assisting and encouraging Russia's transition to democratic rule and its integration into the Western economy. Mr. Clinton has long understood that interest. But in recent months, focused on China and mistakenly postponing a Moscow trip, he has devoted far too little attention to the U.S.-Russian relationship, and to explaining its importance to Americans.

Even without the immediate cooperation of the Duma, the two nations could make progress with regard to arms control. The greatest threat now is not a deliberate nuclear war between Russia and the United States but the theft or illicit sale of nuclear materials or an accidental launch arising from the slow degradation of the Soviet nuclear complex. There are measures that both sides could take to lessen those dangers. The two presidents need to be talking about them.

—THE WASHINGTON POST

What Nigeria Needs

The only way General Abdulsalam Abubakar can bring Nigeria back from the brink of political chaos is to act immediately on his promise Wednesday to restore democracy. With unrest and rioting erupting, Africa's most populous nation cannot wait for General Abubakar to weigh his options. Nigeria urgently needs a civilian transition government and a date for free elections.

The death on Tuesday of Moshood Abiola, Nigeria's most prominent political prisoner and the focus of the nation's hope for democratic leadership, erased any tolerance among Nigerians for a more extended transition from military rule. Nigerians even doubt the government report that the cause of Mr. Abiola's death was a heart attack.

General Abubakar, trying to quell the unrest, spoke on Wednesday of the importance of democracy and restoring the integrity of the military, an encouraging but insufficient step. His government can try to quiet the nation with troops, with the probable result of more deaths and fresh protests. Or it can give Nigerians what they want, which is the opportunity to speak for themselves. He should announce the immediate release of all political pris-

oners and set the earliest possible date for a fair election. He should then appoint an interim civilian government to run the country until the election, and step aside.

Mr. Abiola was the apparent winner of a presidential election in 1993, but the military government interrupted the vote count. When he claimed the presidency the next year, he was imprisoned. He may indeed have died of a heart attack, and the government's promise to allow foreign doctors to participate in the autopsy is welcome.

But even that diagnosis would not absolve the government of Sani Abacha, General Abubakar's predecessor, of some responsibility for Mr. Abiola's death. His health deteriorated steadily during four years in prison. He was in solitary confinement at least some of the time, and one of his children has said he was denied medical care.

If General Abubakar tries to retain power in the weeks ahead, violence may escalate along ethnic and regional lines. Mr. Abiola was a Yoruba southerner, a group traditionally shut out of Nigerian politics, and his jailers were mainly Hausas from the north. That would be a calamity for Nigeria.

—THE NEW YORK TIMES

New Yorker Buzz

After six years that seemed like 60 when measured in hoops, the Tina Brown era is over at The New Yorker. In an announcement that followed weeks of media chattering about the magazine's financial losses and recent murmurings about the editor's personal angst, Ms. Brown told her staff Wednesday morning that she was moving to a new "media venture" launched by Miramax films. Like many of the events during her term as editor, this news not only sent tremors through the hushed, off-white corridors of the magazine, it reverberated throughout the journalism and literary worlds.

The questions quickly went beyond whether Ms. Brown jumped or was pushed. The writers and editors she had run off wondered if there would be a Restoration under some pretender related to the genteel grandees who arranged the furniture that Ms. Brown burned. More disinterested readers wondered if a new editor would try to preserve the magazine's Brownian personality, which held that the creation of buzz was the highest good. Even those who regard Ms. Brown as the undisputed queen of buzz are wondering if the publication can be made profitable.

The most famous of a cluster of British editors taking over American publications in recent years, Ms. Brown took over the venerable but creaky corpus of The New Yorker in September 1992 and rapidly electroshocked it into something like an editorial St. Vitus dance. Sometimes her terror tactics worked, as she pushed writers to deliver quickly with pieces

that combined daring and a semblance of the intellectual weight that once typified the magazine.

Sometimes, however, the new vistas included places that the old New Yorker had wisely avoided. Recent examples included a strange story on a dominatrix, an insane Brown paeon to President Bill Clinton's sex appeal, and a staff and advertisers' breakfast with the disgraced Clinton adviser Dick Morris.

Over all, The New Yorker shed its otherworldly nature and steadfast elegance in favor of a tarty breathlessness. It had more scoops and more glitter, but little time for the timeless pieces favored by Ms. Brown's perhaps excessively revered predecessors, Harold Ross and William Shawn.

For all their fussiness, they left a magazine that had a defined personality and that seemed comfortable at high altitude. Ms. Brown leaves a magazine regarded by old-guard intellectuals as having multiple personality disorder and a slowly declining glide path.

On both the commercial and the journalistic sides, the new editor will have to do something more creative than choose between tradition and buzz. Meanwhile, the image that lingers is not that of the energetic Tina Brown jettisoned out the door, but of a huffing, puffing Eustace Tilley collapsing into his rocker. After all, for six years, he's been dancing as fast as an old New Yorker can. And for what? he asks himself.

—THE NEW YORK TIMES

East Asians Should Learn From Western Europe

By Tommy Koh

HONG KONG — Who could have foreseen in 1945 that two generations later Western Europe would be united, peaceful and prosperous, that old enemies would be reconciled? The European Union is nothing short of a miracle. What lessons can East Asia learn from the EU?

The first is that history need not repeat itself. It is possible to put aside deep divides of language, culture, religion, centuries of conflict and war. It is possible for visionary leaders to win the hearts and minds of their peoples to persuade them to discard the bitter legacy of the past and to embrace the promise of a better future. After World War II, Western Europe was blessed with a number of such leaders.

Is East Asia prepared to learn the first lesson? The answer in Southeast Asia is definitely "yes." Its regional institution for closer cooperation, the Association of South East Asian Nations, is well established.

Formed in 1967, two years after the end of Indonesia's armed confrontation against Malaysia, which then included Singapore, its members were prepared to put aside the quarrels of the past to build a common future. When the Cold War ended, ASEAN extended a hand of friendship to Vietnam and welcomed it as a member. Southeast Asia is determined to achieve its vision of a united region. This dream will be realized when Cambodia is admitted as the 10th member of ASEAN.

The picture in Northeast Asia is less satisfactory. Reconciliation of the kind that occurred between England, France and Germany has not taken place between China and Japan, or between

Japan and South Korea. The ghosts of the past continue to haunt the triangular relationship between them.

It is time to exorcise the ghosts. East Asia needs visionary leaders of the caliber and stature of those in postwar Europe who could simultaneously bury the past and inspire the peoples of the region with a new vision of its future.

The second lesson that East Asia can learn from Europe is the capacity and willingness of its members to engage in a free and candid exchange of views no matter how controversial the issue. Such openness does not exist in East Asia, not even in ASEAN.

For example, last year much of Southeast Asia was smothered for months by a thick blanket of smoke and soot caused by forest fires in Indonesia. According to the United Nations, about 80 percent of the fires were lit by logging companies and palm oil plantations to clear land.

Although the actions of these companies were contrary to Indonesian law and international environmental law, and although Indonesia's neighbors suffered economic loss as well as injury to the health of their populations, ASEAN's corporate culture prevented its members from having a free and candid exchange of views with Indonesia. Such a situation would be unthinkable in Western Europe.

I appreciate that "face" is very important in East Asia. I acknowledge that the idea of an East Asian community is very young. Leaders of East Asia — China, Japan, South Korea and

seven of ASEAN's nine members — met collectively for the first time only in December 1997, in Kuala Lumpur. The ASEAN Regional Forum, established to deal with security problems in East Asia, is a mere four years old.

ASEAN, however, is 31 years old next month. It is strong and mature enough to allow for a greater degree of openness in its deliberations. I do not believe it will be shaken by its foundations if members engage in a frank and fraternal discussion of the forest fires in Indonesia. On the contrary, ASEAN will emerge as a more relevant and stronger institution.

Its failure to take decisive action in the face of one of the world's worst environmental disasters has reduced its credibility in the eyes of ASEAN's own citizens and of the world.

The third lesson that East Asia can learn from the EU is that institutions matter. As Jean Monnet of France, a key architect of European integration, once wrote, nothing lasting can be built without institutions.

The EU has established such key institutions as the Council of Ministers, the European Commission, the European Parliament, the Court of Justice, the Commission on Human Rights and the European Central Bank. At every critical juncture of its history, it has been able to move forward toward its goal of an ever closer union by creating or re-engineering institutions.

The culture in East Asia is significantly different. Leaders prefer to pursue goals by building trust, by a process of consultation, mutual accommodation and consensus. This is sometimes referred to as the "ASEAN way." There

is a general reluctance to build institutions, or to rely on laws and rules.

The currency and economic crisis in East Asia has shown that the ASEAN way needs to be supplemented by institutions. We have no regional surveillance mechanism which could have alerted us to the seriousness of the situation. Once the crisis occurred, we had no institution to mobilize our collective resources to help economies in distress in a timely manner.

The time has come for East Asia in general, and ASEAN in particular, to strengthen existing institutions and build new ones.

The tectonic plates of the world's political economy are shifting. This is a moment in history for Asian thinkers and decision-makers to summon the courage to think long-term and transcend the old paradigm.

I believe that East Asia's current economic difficulties are temporary and that the region will rise again. With the right vision, East Asia can become, like Western Europe, a united, peaceful and prosperous community.

But to achieve that vision there must be a historic reconciliation between China and Japan, and Japan and South Korea. The countries of Northeast Asia and Southeast Asia must also be enmeshed in an ever closer union — of markets, peoples and minds.

The writer is executive director of the Asia-Europe Foundation in Singapore. This personal comment was adapted by the International Herald Tribune from a speech he made on Thursday to the Foreign Correspondents' Club of Hong Kong.

Japan and China Continue to See Each Other as Rivals in Asia

By Gregory Clark

TOKYO — In all the commentary about Japanese concern over closer U.S.-China relations, a key question is left hanging: Why should Japan be concerned in the first place?

Japan says it seeks only peace and security in Asia. If the United States and China get on better together, then surely that promotes peace and security. Or does Tokyo have another agenda?

Almost certainly it does. Behind all the fine words about Asian friendship and cooperation, Tokyo and Beijing basically see each other as rivals in Asia. Each seeks U.S. backing against the other.

For much of the postwar period, Washington feared that Tokyo wanted to move closer to Beijing. Generous access to U.S. markets and technology was seen as crucial in keeping

Japan on the right side. But Tokyo never had any intention of such a move. One proof is the way it lobbied secretly right to the bitter end to block Beijing's 1972 admission to the United Nations.

Japan's China allergy has a long history. The Japanese have always resented what they see as China's pretensions to cultural superiority, especially since it is Japan, not China, that took the lead in Asian modernization.

Personality differences do not help — the Chinese blunt, argumentative and casual, as opposed to the nuanced and punctilious Japanese.

War memories add to the pot. By some twist of logic, the Japanese can feel friendly toward the United States, which pressured prewar Japan and then

bombed and occupied it, but resentful toward China, which suffered repeated Japanese aggression for half a century.

The resentment is more than reciprocated by China, which has yet to get an explanation, yet alone a proper apology, for the way it was treated.

And many educated Chinese have long been fascinated by America. Shanghai bookstores are full of books about things American. Books about Japan are scarce and deal mainly with war atrocities.

U.S. Cold War strategies guaranteed that postwar Japan would do much better than Beijing in competing for U.S. favor, but the future may be different.

Conservative Japanese remember and resent the way the United States backed China

against Japan in prewar years. They worry about being bypassed again as in 1971, when Washington, without notice, opened relations with Beijing.

Reports of Chinese leaders telling visitors to Beijing recently that within a generation Japan, with its weakened economy and declining population, would be second fiddle to China in Asia add to Japanese fears.

Current Japanese concern focuses mainly on Washington's Taiwan strategy. Tokyo has liked to assume that the Taiwan issue would keep the United States and China at loggerheads, with Japan crucial in providing logistic backup to America in the event of a military clash. But that role fades if, as President Bill Clinton has seemed to imply, America begins to accept Beijing's position that Taiwan should not be allowed to seek independence.

The writer, a former Australian diplomat, contributed this comment to the International Herald Tribune.

Traditional News Media on the Defensive in America

By Robert J. Samuelson

WASHINGTON — Even as we in the American mass media are courted and castigated for our alleged power, new communications and computer technologies threaten our incomes, social importance and political influence.

This will gratify those who see us as an unelected "media elite" that is poisoning politics and culture. The rival view is that the mass media help bind the country together with shared experiences and information. It may not matter which view is more correct. The new technologies aren't listening.

Until now I doubted that the new media much menaced the old. Cable, computers and fiber optics delivered specialized information on everything from stocks to diseases that would not displace general news and entertainment.

Perhaps. But two events have

shaken my confidence. The first is a survey from the Pew Research Center for the People and the Press showing big changes in habits. Most startling is the eclipse of the television networks' nightly news programs. In 1993, 60 percent of Americans above 18 "regularly" watched; by 1998 it was 38 percent.

Some of the loss reflected less interest in news, but much stemmed from more viewing of cable news. Similarly, Internet use has soared. In 1995, 4 percent of adults went on-line to get news once a week; now it is 20 percent.

My second jarring event was a chat with my brother Richard. He runs a small inn in Cape May, New Jersey. In the past year he started advertising with his own Web site. Almost a fifth

of his customers found the inn on-line. No magazine or newspaper ad ever showed remotely similar results.

And the Internet is inexpensive. He paid less than \$1,000 to a small company in Indianapolis to create and maintain the site for a year. "On the Internet, you compete equally" with bigger firms and hotels, he says. "You have a page and they have a page."

Hmm. The mass media exist for only two reasons. One is that people read us or watch us; the other is that people and companies use us to advertise.

If people don't read or watch us, advertisers won't use us. But if advertisers don't use us, then we will lose our audiences.

Advertising pays the bills. Newspapers receive 70 to 80 percent of their revenues from ads. If ads evaporate, the mass media will not be able to afford the programs and news staffs that attract audiences.

I had assumed that at least newspapers and magazines were safe, because paper is so superior to screens for reading and relaxing. You can take a newspaper or magazine with you. You can fold it or clip it. If you lose it, no big deal. How could a screen, no matter how portable, compete with that?

It couldn't — so long as people read as I do. Reading is, for me, a discrete experience. I settle back with a paper or book. But suppose habits change? This happens. Television decimated evening newspapers in America. From 1950 to 1997 their number went from 1,450 to 816.

We may now be at a similar inflection point. The Pew survey does not tell us where we are going, but it suggests that we are moving from where we have been. People can get more information than ever in more ways than ever, so they may change what they get and how.

Generations seem to regard "news" and "information" differently. Among those 18 to 29, three-quarters told Pew that they like "having so many information sources," but only a third enjoy "keeping up with the news." Among those over 65, only half like more information sources, but two-thirds enjoy "keeping up with the news."

So habits may change. Suppose people progressively take more and more news from their

computers; they call up headlines, commentary or movie reviews between e-mails at work or games at home. Will fewer people then want newspapers? Already readership has eroded. From 1970 to 1997 the share of adults who read a daily paper slipped from 78 to 59 percent.

Or suppose people can customize their papers electronically. You preselect what you want — say, six top national and global stories, four top local stories, two favorite columnists, seven stock prices, the baseball standings and your horoscope. It is zapped to your home and printed on paper. Is this still a newspaper?

We don't know what new technologies will bring. We don't know how or when television, telephones and computers will blend. Nor do we know what people want.

Being cyber doesn't guarantee success. In March the on-line magazine Slate began charging \$19.95 a year for what it had been giving away; estimated readership fell from more than 200,000 to fewer than 30,000.

In the present economic boom, both new and old survive, but in leaner times competition will be less forgiving, and even now the shift from

mass audiences is unmistakable. Magazines' growth has come mainly from new titles aimed at smaller audiences, and not from more readers of mass magazines. Newsweek's circulation in 1998 (3.2 million) is almost the same as in 1978 (3 million). At the television networks, audiences are approaching free fall.

Here is where economics and sociology intersect. The notion of a media elite, if ever valid, requires that people get news and entertainment from a few sources dominated by a handful of executives, editors, anchors, reporters and columnists. As media multiply, the elite becomes less exclusive. Smaller audiences give them less prominence and market power.

There is a logic here that, for the moment, seems to be suspended or even defied. The stat system thrives, especially in television but also in print journalism. Media companies pay small fortunes to anyone for anything that, they hope, will arrest the loss of audience.

This is a rearguard action. Sooner or later, the logic may assert itself and we in the mass media may find our net worth and self-worth correspondingly reduced.

Washington Post Writers Group

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Cable to Hawaii

PARIS — [The Herald says in an Editorial:] With the annexation of the Hawaiian Islands to the United States a manifest duty

imposes itself upon the Administration. This duty is the laying of a submarine cable connecting the islands with the American continent. The United States has entered upon an imperial policy. Prompt communication between Washington and America's possessions in the Pacific is of more importance and will prove of greater value than the stationing of a dozen battleships in those waters. The cable is an immediate necessity.

1923: Half-Million Bill

BERLIN — "Can you change a half-million?" will now be a common question among people in Berlin. The new half-million mark note has for the first time made its appearance,

and has relieved the possessor of enough to buy dinner from carrying a bulging, visible bankroll. Thousand-mark coins also will be issued within a short time.

1948: Russian Sweets

MOSCOW — By continuing to use foreign names for sweets made in the Soviet Union, Russians are knowing to foreigners, according to an article in "Izvestia" by P. Bedrosova, an instructor at the Leningrad Trade Institute. The French, German, Italian and English names under which Soviet sweets are sold were introduced in pre-revolutionary Russia, together with the recipes and machinery for making them. Now that the Russians are able to run the machines and make the recipes themselves, Miss Bedrosova doesn't see why the foreign names should not be discarded. So molasses, parafais and eclairs, she thinks, should be renamed.

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OPINION/LETTERS

New Attention to National Status Could Make the World Safer

By Flora Lewis

PARIS — Geo-economics has obviously become the dominant force driving international relations. The end of the Cold War with its sharply marked frontiers has reduced the importance of geopolitics, although not to the degree argued by some specialists who consider NATO irrelevant and the European Union infinitely expandable. But there is a rising source of tension that can be called geo-psychology.

It is not new. Status, ranking in the world, has always been a consideration for states, alongside the influence that actual power brings. Now, however, it is becoming a prime factor that distorts conventional strategic analysis and cannot be overlooked.

Russia is the most obvious current example. Whatever else it disagrees on, the Russian establishment is unanimously hypersensitive about making sure that Russia continues to be regarded as a great power, in big things and small. That many will tell you, is the real reason they are so upset by the expansion of the North Atlantic Treaty Organization, which they do not see as a military threat but as a psychological one that could produce a backlash of nationalism.

Chinese satisfaction with the deferential warmth displayed by President Bill Clinton on his nine-day trip was more geo-psychology than any substantive gain or agreement. What mattered to Beijing was the symbolism, given added relative weight by his willingness to skip a courtesy stop in Japan.

It is evidently geo-psychology that underlies India's determination to be, and to be recognized as, a nuclear power. Pakistan feels a need for protection against India's overwhelming conventional force, and likes the idea of "me, too."

Despite India's references to the need for a "minimum deterrent" against China, New Delhi's statements make it clear that it was long-simmering resentment at what seemed to be the world's disregard for India's weight that decided the nationalist-leaning coalition gov-

ernment to hold and publicize nuclear tests.

A European diplomat asked authoritative Indians why, if they felt the need for nuclear weapons, they did not copy the Israeli tactic of building them without attracting international opprobrium by vaulting it. That had been the strategy. An unidentified Indian "senior official" formally told Western correspondents last week

It is necessary to acknowledge that some states are more equal than others.

that India already has atomic arms that it could use and the systems to deliver them. This has been suspected for some time. But beyond the thesis of deterrence, India craved recognition.

A New Delhi communiqué, denouncing the joint U.S.-Chinese summit call for both India and Pakistan to curb a possible arms race, was blunt. It said:

"India categorically rejects the notion of these two countries arrogating to themselves joint or individual responsibility for the maintenance of peace, stability and security in the region. This approach reflects the hegemonic mentality of a bygone era in international relations and is completely unacceptable and out of place in the present-day world."

The Indians have a point in complaining that despite their size and numbers, they are routinely put in a class well below China in status. And they can make a fair argument that with the end of a two-superpower world, permanent membership in the UN Security Council is by no means an evident measure of importance.

It happens that the five permanent members are all nuclear powers, the only avowed ones until the Indian and Pakistani tests. But none had atomic weapons when the council membership and its rules were adopted, not even the United States.

De Gaulle practiced geo-psychology to the hilt, in purely ceremonial and sometimes peevishly iconoclastic ways as well as by insisting on joining the "nuclear club." From

the French point of view, it worked. There is a profound contradiction between reality and the UN founding principle of the sovereign equality of all states. Geo-psychology is an attempt to bridge the gap by induced perception. The urge cannot be ignored. There is no inherent reason why possession of nuclear arms should be the test, and many reasons for rejecting it. But then there has to be some other way to acknowledge that some states are, at the least, more equal than others.

This is a problem of the gradual transition in the way nations deal with each other. The Group of Seven, the Organization for Economic Cooperation and Development and the Security Council are devices for establishing categories, in many ways arbitrary. Other measures, other protocols are needed to satisfy the need for symbolic importance so that it doesn't have to go nuclear.

Psychologists should be recruited along with diplomats and military staff to sort out ways to accommodate sensitivities that do not really require weapons, or spheres of influence or even money, but do provoke tangible irritation. Geo-psychology is harder than geopolitics, but if it is taken into account it is less dangerous.

Flora Lewis

WHAT DO THEY THINK WE ARE—A TOBACCO COMPANY?



LETTERS TO THE EDITOR

Australia's Future

Regarding "Unconventional Leaders Rise on a Wave of Anger" by Keith D. Suter and "Australians Need to Halt This Party's Racist Bandwagon" by Denis Warner (Opinion, July 3):

The claim by successive governments that Australia is an integral part of Asia masks the fact that Australia is not Asian, any more than it is European or American.

What Pauline Hanson's One Nation party has done is to call the bluff of the federal politicians by opposing the "Asianization" of Australia. This fear, which has as much credibility as the belief that Australia's future lies in Asia, is responsible for the popular backlash delivered in the Queensland state elections.

Mr. Hanson's underlying appeal has less to do with economics, racism or the extreme right than with a manifest desire of the

Australian people as a whole for their political leaders to emphasize the uniquely Australian character of the country's national identity and the international scope of its interests.

The real threat to Australia's future development and harmony is constitutional. The country will not rid itself of its Hansons and hang-ups unless it becomes a republic by the year 2000.

R. S. MERRILLIES

Mailly-le-Château, France.

More Than Owners

In response to "Consider the Record of Popular Capitalism in America" (Opinion, July 3) by Felix G. Rohatyn:

Nowhere in the article are the words "citizen" and "democracy." Instead, Mr. Rohatyn writes about "owners." What about the 56 percent of American families that have no stock holdings? Recent articles in your pages

have lamented the loss of civic spirit in the United States. Is this surprising in the face of a dominant ideology that would subtly replace the town meeting with yet another marketplace?

ARTHUR PERKINS

Paris.

Regarding "No Need to Fret About Europe's Invasion of America" (Opinion, June 30) by Richard Pells:

Americans should realize the importance of cultural and intellectual exchanges with Europe, not for the purpose of pushing American economic and social policies but as an opportunity to learn from Europe about being socially conscious in a market driven economy. Perhaps we Americans can find a middle ground, allowing for a healthy economy while securing some of the social benefits we have all but lost.

MARTIN BISCHOFF

Paris.

A Tale of a Camp Guard Who Questions a Judge

By Richard Cohen

WASHINGTON — The book came and then it went. I read an early review, was intrigued and went down to the bookstore, but they knew nothing about it. I shopped the Internet, too, but came up empty-handed at the time — nothing under the title and nothing under the author. It was called "The Reader," and it was written by Bernhard Schlink. "Read this," the literary critic George Steiner wrote in the British weekly The Observer. "Read it again."

Now I have. This is a word-of-mouth book. A friend said he had heard from a friend who had heard from someone else. I would like to put all these people in a room and

He does not answer. On the day I finished "The Reader," I read in the paper that Volkswagen would set up a fund to compensate Nazi-era slave laborers. For VW, this was an about-face. It owed earlier maintenance that it owed nothing. The company had followed government orders. The government owed the workers, not VW.

In other words: What would you have done?

When I visited the town in Poland where my mother was born and all the remaining Jews exterminated, I went to the cemetery. The tombstones had been looted, many of the graves, too. The earth kept pushing up bones: leg bones and arm bones and even, according to one person, skulls the kids used as soccer balls.

It is the same with the Holocaust itself. It is long gone, but it keeps pushing up these questions. What is Volkswagen's moral obligation? How about the Swiss and their gold and the Hungarians and their art and all the people everywhere who loved a painting so much they could not bring themselves to ask where it had come from?

A 15-year-old has sex with an older woman. He falls in love. The affair empowers him. He is a child at home, a man away from it. He reads to the woman. It is what she prefers. He gets to know her. He learns later that she is a war criminal, but he knows why. It doesn't alter the crime. It doesn't even alter how he feels about the woman.

"I wanted simultaneously to understand Hanna's crime and to condemn it," Michael (not Mr. Schlink) writes. "But it was too terrible for that. When I tried to understand it, I had the feeling I was failing to condemn it as it must be condemned. When I condemned it as it must be condemned, there was no room for understanding."

Mr. Schlink is a professor of law in Berlin, a judge, too. He was born, as was Michael, during the war and so he is a member of that generation of Germans who looked to their parents and asked: How? Why? How could you?

In Hanna, he created a character, killer though she was, whom I understood and therefore could not condemn. She will endure if only because she framed the question which none of us can answer: What would you have done?

Washington Post Writers Group

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BOOKS

BLESS THE THIEF

By Alan Wall. 211 pages. \$22. Crown.

Reviewed by David Nicholson

THIS strange little novel veers between the sacred and the profound, exploring such questions as the relationship between good and evil, the nature of myth and the meaning of symbols. At its best, "Bless the Thief" teases us with mystery, as those existential and philosophical matters entwined with the central character's more personal questions about his origins. When the book explains the latter, however, it descends into the mundane and becomes far less satisfying.

That central character is Thomas Lynch, the narrator. We meet him as a boy in New Jersey, where his American mother has taken him after his English father's death on the Hindenburg. We follow him to the Catholic boys' school in England that he must attend according to the terms of his father's bequest and then on to Oxford. But if Tom is in the foreground of the novel, the mysterious artist Alfred Delaqua looms nearby.

Though he never appears in the book, from time to time we read excerpts from Delaqua's diaries, and from these we learn that he was one of those tortured souls blessed (and damned) with the ability to see and feel more than ordinary people. (The title, "Bless the Thief," is from a Delaqua epigram, "Bless the thief, for he lightens your burden.")

Delaqua's journey to wisdom in London and Paris involved excess: alcohol and drugs, sex with prostitutes, a flirtation with black magic and then a return to Catholicism. What survives him are his diaries and about 50 books, all sumptuous and literally unique — they are handmade editions of one, handsomely printed and bound, with Delaqua's pen-and-ink drawings tipped in. They are owned by members of the Delaqua Society, an exclusive club with only a few rules: The books may not be sold, only exchanged for other Delaqua. And, because Delaqua despised mechanical reproduction, they may not be reproduced. While still at school, Tom is invited to join the society by Patrick Grimshaw, the head-

master and his mentor. He accepts the conditions, and the Delaqua edition of "Paradise Lost."

"I was already turning the pages of this book," he tells us, "those extraordinary first pages. My life was already unraveling." Delaqua "had not merely illustrated the book, he had somehow in the process illuminated the text."

Because of the juxtaposition of word and image, he had made the text on the page unique, too. Tom begins to copy Delaqua's drawings, though Grimshaw is uneasy when he asks whether Delaqua would have allowed the reproduction of his books by hand. Yes, Grimshaw replies, because "the person who could reproduce him so personally and entirely would by necessity have had to endure the same truths that he did... would therefore have become indistinguishable from himself."

As the novel proceeds, Tom learns the painful truth of that last, as he embarks on a course that almost destroys him. In the end, "Bless the Thief" turns out to be about Tom's loss of innocence, his journey through self-degradation to a realization that some sort of redemption is possible. It's a bleak book, and a little difficult at times. Then, too, while its author offers a number of explanations, some like Tom's confusion about why he hates his mother seem perfunctory. Other matters — the relationship of Tom's father to Donna, an-

other of Tom's lovers — are never explained.

But there's a sense in which this book cannot be easily parsed. In that way, it's like poetry. Some images — the angels falling from the sky — linger long after you've finished it, as does a sense of its mystery and sweetness.

David Nicholson, a Washington author, wrote this for The Washington Post.

THE JOB

By Douglas Kennedy. 387 pages. \$23.95. Hyperion.

Reviewed by Christopher Lehmann-Haupt

BUSINESS was good today. I wheeled, I dealt, I schmoozed, I CLOSED. Thus speaks Ned Allen at the opening of Douglas Kennedy's harrowing tale of downward mobility, "The Job."

Ned is the successful young Northeast regional advertising sales manager for CompuWorld, the third-biggest computer magazine in America. He earns his bonuses. He makes just enough to support the free-spending Manhattan life he lives with his wife, Lizzie, a rising star in a public-relations company.

Everything looks good for Ned and Lizzie when a crisis suddenly looms. A German company buys CompuWorld, promising not to interfere so long as advertising quotas continue to be met. But when one of Ned's salesmen fails to

close a major deal, Ned is given the choice of either accepting the loss and losing his job or rescuing the deal and being promoted to publisher. The only catch is that by taking the latter course he is forced to play dirty and double-cross a friend.

As a result, everything blows up in Ned's face. Just as he is about to take his promotion, the company is sold again and CompuWorld is killed. Ned finds himself out of a job and unable to find another because of the enemies he has made. Lizzie leaves him, and he begins a downward spiral so powerfully narrated and dizzying that you find yourself thinking of Arthur Miller's "Death of a Salesman" and David Mamet's "Glengarry Glen Ross."

So bleak and depressing is Kennedy's story that you begin to wonder what the point of it all will be. Is the novel a comment on ambition? Or a plea for moral conduct in business? Or a variation on the Book of Job?

As things turn out, Kennedy appears equally at sea about what he is up to in "The Job." Instead of resolving the bruising issues he has raised, he eventually turns his story into a thriller about a murderous conspiracy that Ned runs afoul of in his endless search for another job. Just as he did in his previous novel, "The Big Picture," Kennedy loses control of his material and leaves the reader not dazzled or emotionally purged but merely entertained.

New York Times Service

BRIDGE

By Alan Truscott

SOME bridge hands have curious features. In reading the following description of the diagram deal, see if you can spot the oddity. It was played at the Greater New York Bridge Association's Reisinger Knockout Teams. Sitting East and West were Janet and Mel Colchamiro of Merrick, New York, whose team reached the final.

North opened one diamond. East overcalled one spade, and South's one no-trump bid ended the proceedings. West led the spade ten, which was allowed to win, and South ducked again when the eight was led, throwing a

club from dummy. West shifted to a low diamond, and dummy won with the ace. South tried a low heart to the queen and lost to the king.

West led another low diamond, and dummy won with the king. The heart eight was led, in an attempt to establish a seventh trick in that suit, and West won with the jack. He returned his low heart, and South misguessed by playing the ace. He exited with the remaining heart, and West won and led the diamond jack.

South won with the queen and led a club to the ten. But West produced the queen and cashed two diamond winners to defeat the contract by two tricks.

So what was unusual about this? It is not that South began with six tricks and wound up with five. It is that West's seven-point hand took all eight of the defenders' tricks.

NORTH (D)
♠ A 9 8 3
♥ A K Q 6 2
♦ 1 7 5
♣ 1 7 5

WEST
♠ 10 8
♥ K J 10 4
♦ 10 8 5 3
♣ A 4

SOUTH
♠ A 7 6 3 2
♥ Q 6 5
♦ 9
♣ A 10 6 2

Both sides were vulnerable. The bidding:
North South
1 ♠ 1 ♥
2 ♦ 2 ♣
West led the spade ten.

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INTERNATIONAL

Blair Beset in Scandal Over Money for Access

Prime Minister Accused of Favoring Lobbyists

By Tom Buerkle
International Herald Tribune

LONDON — Of all the forces that swept Tony Blair's Labour Party into government last year, few were as powerful as the string of bribery scandals involving Conservative politicians that allowed Mr. Blair to campaign against "Tory sleaze."

So it has come as a rude shock to Mr. Blair to find himself tarred with the same brush this week. Disclosures of close ties between senior government officials and former associates who are now lobbyists, including claims that lobbyists passed knowledge of policy decisions to clients before the government informed Parliament, have unleashed the most damaging attacks to date against the Labour government and Mr. Blair.

The opposition leader, William Hague, criticized what he called a "culture of cronyism" that had produced a government for sale.

"When are you going to stop protecting the money-grabbing cronies you've surrounded yourself with — they are feather-begging, pocket-lining, money-grabbing cronies — and actually clean up the act of this government," Mr. Hague demanded Wednesday in his harshest confrontation to date with Mr. Blair in the House of Commons.

"Blair's Worst Day," said an editorial headline in the Thursday issue of the Daily Telegraph, expressing a sentiment shared even by many Labour members of Parliament.

The so-called cash-for-access affair has swirled around the government since Sunday, when The Observer newspaper printed allegations about the passing of information to lobbyists. Using an American journalist posing as a representative of a U.S. energy company, the paper approached several former Labour activists now working as lobbyists who claimed the ability to contact senior government officials with the flick of their beeper and glean important policy decisions before they were announced.

Mr. Blair ordered his chief civil servant to draw up clear rules on contacts between government officials and lobbyists, but he angrily dismissed the allegations as the unproved boasts of lobbyists claiming influence to boost their business. He also rejected calls to dismiss Roger Liddle, his European policy adviser, who had reportedly offered to arrange government contacts for a lobbyist friend.

But even some Labour members of Parliament urged tougher action. They called for one lobbyist, Derek Draper, to

be stripped of his party membership and noted that his own lobbying firm had fired him over the allegations.

The idea of a revolving door between government and the lobbying industry is hardly unique to London, but the disclosures have hurt a government that Mr. Blair claimed earlier this week to be "purer than pure."

"Labour is vulnerable to charges of hypocrisy," said Patrick Dunleavy, a professor of politics at the London School of Economics. "New Labour, new sleaze" is a dangerous cry.

The affair also threw harsh new light on Mr. Blair's close contacts with business, a key factor in his electoral success but something that rankles many traditionally left-wing Labour members. The affair has rebounded on the prime minister because it reinforces the impression of a government beholden to business. This impression has been fostered by Mr. Blair's alleged intervention on behalf of Rupert Murdoch with Prime Minister Romano Prodi over a broadcasting investment in Italy and by the softening of Labour's stance against tobacco advertising after a large donation from the Formula One racing chief, Bernie Ecclestone.

"The prime minister is biased in favor of successful businessmen," said Roy Hattersley, a Labour member of the House of Lords and frequent critic of the party's drift to the right under Mr. Blair.

The affair has also focused fresh attention on the centralization of decision-making in a few select hands, including key ministers and their unelected advisers.

Mr. Draper, the lobbyist, struck a chord with many frustrated Labour members of Parliament when he reportedly claimed that in the government, "there are 17 people who count."

Mr. Blair is renowned for cutting deals with senior ministers on the sofa of his private office rather than having policy discussions in cabinet. And even ministers complain privately that many key Treasury decisions are made by Chancellor Gordon Brown, his special adviser, his spokesman and his junior Treasury minister, Geoffrey Robinson, in meetings at Mr. Robinson's suite at the Grosvenor Hotel.

The frequent leaking of policy documents, including the unprecedented publication of the government's new defense policy in Wednesday's newspapers before its announcement in the House of Commons, prompted Speaker Betty Boothroyd to warn that Parliament itself was being undermined.



TRouble IN TURKEY — Rescue workers gathering at the Egyptian Bazaar in Istanbul, where an explosion attributed to a faulty gas canister at a food stand killed seven people and injured more than 100.

ROYALS: Britain's Prince William Meets His Father's Companion

Continued from Page 1

ther told him the mix-up was an inevitable "clash of diaries." He gave his son the choice of greeting or avoiding her, and Prince William said he was willing to be introduced.

With his father present, the young prince and Mrs. Parker Bowles talked for 30 minutes, sipping soft drinks and keeping the conversation light. Mrs. Parker Bowles was said to be "trembling" with nervousness while Prince William maintained the self-assurance that has gained him much favorable comment in the tumultuous past year.

The Sun, and its chief competitor, The Mirror, which had its own "world exclusive" account, reported that on emerging from the meeting, Mrs. Parker Bowles asked for a vodka tonic. Since then, the two have met twice, once for tea and once for a lunch at York House.

The London press speculated widely Thursday that Prince William's younger brother, Prince Harry, 13, would soon be offered the chance to chat with her, if he had no objection.

Lord Wakeham, head of the Press

Complaints Commission, which monitors the press's compliance with the code of conduct for covering the young princes, said Thursday: "I recognize that certain stories have a public interest. The palace thought this one had. It was justified, and in the circumstances I think it's been handled very responsibly."

Under the guidelines, which the British press has largely complied with, the boys are to be left alone to pursue their studies and their private lives and can be photographed only at carefully arranged occasions, usually with their father.

On the occasion of Prince William's 16th birthday, on June 21, aides to Prince Charles sought to balance public curiosity about him with his right to privacy by making public a mass of details about his adolescence culled from official records and a series of brief answers he gave to written questions from the Press Association, Britain's domestic news agency, about his teenage likes and dislikes.

The Daily Mail has surpassed all other British papers in printing supplements and promotions connected to the memory of Diana, and its court reporter, Richard Kay, the late prince's best friend, in the press, reported Thursday that friends of hers found the decision to let the prince meet Mrs. Parker Bowles "astonishingly insensitive."

Mr. Kay quoted one unnamed friend as saying, "In view of the wretched history of the triangle which caused Diana so much misery, it seems incredible that such a meeting should happen before the first anniversary of the princess's death."

Mrs. Parker Bowles's relationship with Prince Charles has gone on continually since they met in 1972, but she

became a particular liability for him after Diana told a BBC interviewer in 1996 that "there were three of us in this marriage, so it was a bit crowded."

It also emerged that Diana's nickname for her was the "rotweiler." Prince Charles had admitted his adultery in a television interview a year earlier.

A year ago Mrs. Parker Bowles began to win grudging acceptance as Prince Charles's loyal companion, and last July he gave her a showy 50th birthday party at his Highgrove estate in Gloucestershire, allowing photographers to snap her as she arrived looking uncharacteristically radiant in an evening dress.

She took on the chairmanship of a high society charity ball to be held last September, and speculation was high that the couple would make their first public joint appearance there. The event was canceled because of national mourning for Diana.

After the death of Diana and the mass outpouring of grief, Mrs. Parker Bowles disappeared from public view, but has begun to reappear discreetly in recent months.

Notably, she was the prince's official partner at a country weekend party he held for a dozen well-known Britons, including Peter Mandelson, Prime Minister Tony Blair's chief political strategist, at the queen's Sandringham estate in Norfolk. Still, she was always kept at a distance when Prince Charles was with his sons.

Though the Church of England has made it clear it has no enthusiasm for a wedding between Prince Charles and Mrs. Parker Bowles, there appear to be no constitutional or official rules barring it. Responding to the news Thursday, London's bookies slashed the odds on an eventual marriage to 3 to 1 from 7 to 1.

NIGERIA: Bid to Calm Anger

Continued from Page 1

Local newspapers put the death toll in earlier rioting over Mr. Abiola's death at up to 45 people.

General Abdulsalam Abubakar, the country's recently installed leader, has also dissolved the military-appointed government, a gesture that appears unlikely to have any immediate impact because the core of power lies with the inner circle of military men gathered in the Provisional Ruling Council.

Addressing the nation, General Abubakar on Wednesday promised a fair autopsy for Mr. Abiola and said his release from prison was to have been decided formally on Wednesday. "Alas," the general said, "God willed otherwise, and today we mourn his loss."

General Abubakar spoke of the "restoration of democracy" in Nigeria, Africa's most populous nation, as an "imperative," but he avoided spelling out any plans as to how to achieve this or any specific timetable for elections.

The United States appears determined to prod the new government toward democratic change without appearing to push too hard or too blatantly. The volatility of the situation here is evident, and there are major American interests at stake, both directly in the large oil industry, and strategically in placing a democratic Nigeria at the heart of a stable West Africa.

In his speech, the general described the death of the opposition leader as a "national tragedy," the same terms he used for the death a month ago of the dictator, General Sani Abacha. This ambivalence suggests the narrow line Nigeria's new ruler is trying to tread between his own apparent desire to further a democratic transition in this pivotal African state and those in the armed forces who remain loyal to General Abacha's oppressive and generally ruinous policies.

Mr. Abiola, who appeared to be poised to win the 1993 presidential election before the military annulled it, and was imprisoned on charges of treason in 1994, died after falling ill during a meeting with U.S. and Nigerian officials.

James Rubin, the State Department spokesman, said the United States had no evidence that Mr. Abiola had "died of anything other than natural causes." But he added that, given the family's suspicions, it was "a good idea to have a postmortem conducted in a way that is as independent, reliable as possible."

It seems certain that until the results of the autopsy are known the situation will remain highly volatile. Even then, with the door now half opened to a democratic transition and the eventual course of this shift still vague, a quick return to calm may be elusive.

Muslim Hausas and Fulanis constitute a majority in the military government and the armed forces, while a significant part of Mr. Abiola's following came from members of the Yoruba tribe in the southwestern part of Nigeria, the opposition leader's home region.



Queen Elizabeth II with the Dean of Westminster Abbey on Thursday.

CHINA: 'Face Reality,' Beijing Tells Taipei

Continued from Page 1

reunification is necessary for improved ties. Taiwan and China have ostensibly been separated since 1895 when Japan occupied the island following its victory over Imperial China in the China-Japan War.

In 1949, the Nationalist Chinese leader, Chiang Kai-shek, fled to Taiwan after his forces lost a civil war to the Chinese Communists led by Mao.

Since then the two sides have moved further away from each other — in both economic and political development.

In Beijing, a Foreign Ministry spokesman, Tang Guoqiang, said Mr. Clinton's statement had "positive implications for the resolution of the Taiwan question." "We hope that Taiwan authorities will get a clear understanding of the situation, face reality and place importance on the national interest," Mr. Tang said.

Also Thursday, the official China Daily quoted one of Beijing's top negotiators with Taiwan as saying that Mr. Clinton's remarks had helped China. "This has provided favorable conditions for the development of cross-

strait relations," said Tang Shubei, the vice-president of the Association for Relations Across the Taiwan Strait.

"But cross-strait issues will ultimately be solved by the Chinese people," he said.

In Taipei, the semi-official Straits Exchange Foundation released a letter to its mainland counterpart, the Association for Relations Across the Taiwan Strait, informing it that a deputy secretary general of the association, Li Yafei, could visit Taiwan from July 24 to 31.

Mr. Li's visit is supposed to pave the way for Koo Chen-fu, the head of Taiwan's Straits Exchange Foundation, to visit China in September or October.

In June, China invited Mr. Koo to visit China between September and October, and Mr. Koo later said he was planning to go in mid-September.

Mr. Koo and his Chinese counterpart, Wang Daohan, met in Singapore in 1993 in a landmark gathering that signaled warming ties between the old rivals.

But after two years of improving relations, China-Taiwan ties collapsed in 1995 when Taiwan's president, Lee Teng-hui, obtained a visa to visit Cornell University for his 25th reunion.

JAPAN: Tale of 2 Brothers Shows Why Change Will Take So Long

Continued from Page 1

years, in large part because he thinks the public does not want it.

"The way things are, Japan won't really change very much," the governor said in a recent interview. "Even if an opposition party took over, it'd be hard to take steps toward reform."

"We need very dramatic changes in our system," he added. "If public sentiment does not change in Japan, then Japan will be in a very dangerous situation."

Daijiro Hashimoto discourages any contrasts between his popularity and that of his brother, and the two remain close. Indeed, Ryutaro Hashimoto was also regarded as a talented maverick until he became prime minister in 1996 and seemed to become overwhelmed by the forces of stagnation around him.

"The power of a prime minister in Japan is very limited, even compared with that of a British prime minister," the governor said. "So my big brother may be feeling tight restrictions right now on his ability to get things done."

Daijiro and Ryutaro Hashimoto have similar good looks, charm and quick wit, as well as the legacy of their father, who was a cabinet minister and longtime member of Parliament.

Ryutaro Hashimoto, 60, inherited his father's seat in Parliament and has spent his entire career as a politician, while his brother, 51, went into journalism and became nationally famous as the lead television reporter covering the dying Emperor Hirohito in the late 1980s.

Then a couple of years later, friends persuaded Daijiro Hashimoto to run for governor in Kochi. He had no connection to Kochi and no power base here, but he ran as an independent against a deputy governor backed by the governing Liberal Democratic Party. In the end he won in a landslide, and at age 44 became the youngest governor in Japan.

Governors in Japan normally do not do much, even less than prime ministers, but Daijiro Hashimoto made Kochi a whirlwind of activity.

He started a technical college and an optical fiber data network, hoping to nurture a miniature version of Silicon Valley. He began dismissing any government employee caught drinking and driving.

He emphasized openness in government and publicly disclosed official entertainment expenses, and he offended hard-line nationalists by criticizing the

national anthem, which has strong militarist connotations.

"He's been a great stimulus to this prefecture," said Eiichiro Mizobuchi, managing director of the Kochi Chamber of Commerce. "He stresses that we must change our way of thinking."

Hiroyuki Morishita, a prefectural assemblyman, says that Governor Hashimoto "was a big culture shock for Kochi Prefecture" and notes that some people complained about spending money on starting a technical college at a time of tight budgets. But Mr. Morishita says these measures are changing Kochi and adds, "He's been a key governor for all of Japan."

A good measure of Daijiro Hashimoto's popularity — he won re-election in 1995 with 85 percent of the vote — is a matter less of policy than of his style. In contrast to the bland bureaucrats who preceded him, he is outspoken and charming, with a natural political feel for cultivating his image.

"His style is very different from his predecessors, and people feel that Kochi is now changing," said Hitoshi Toyama, a political columnist for the Kochi Shimshu, a local daily. "There's a feeling here that people in Tokyo used to know nothing about Kochi but that now the governor is putting Kochi on the map."

Still, for all his popularity in Kochi and even around the country, Daijiro Hashimoto has almost no chance of becoming a leader on the national stage. It is not just that he is an independent rather than a member of the Liberal Democratic Party, but also that national politics operates by a rigid seniority system.

Indeed, that was why he decided not to go into national politics like his brother, and it is a disincentive to many other mavericks in Japan: Even the most qualified Liberal Democrat can dream of a cabinet position only after serving 10 or 15 years in Parliament.

When Daijiro Hashimoto first ran for office, he calculated that since he was in his mid-40s he was too old to go into national politics, and now that he is in his 50s the same logic applies with even greater force.

"If Japan had a presidential system," he mused, "then I might think about it."

One of the puzzles of Japanese politics is who actually does wield power, for there is general agreement that the prime minister is weak and that individual members of Parliament have much less influence than any member of the U.S. Congress. Certainly the answer

VATICAN: Dispute Over Rape

Continued from Page 1

their sovereignty could be undermined by an independent prosecutor — or one who is called in on a case by the United Nations Security Council.

Similarly, one of the articles that seemed most assured of being included in the treaty — making rape and other acts of violence against women war crimes on the same footing as torture — is now under heated debate.

Some delegates worry that the battle over the wording of "enforced pregnancy" could deadlock the negotiations and limit the kinds of crimes against women that the prosecutor could investigate. "By including this term, you create a mandate for a prosecutor to investigate this particular crime," said Katherine Hall Martinez, a member of the Women's Caucus for Gender Justice in the International Criminal Court, a group lobbying the conference.

"There are only seven working days left," she said, and rape and the entire list of crimes against women that appeared in the draft treaty were deleted from a discussion paper that was submitted to the delegations Tuesday.

"Enforced pregnancy" is a term created by rights organizations to describe the act of repeatedly raping women with the intention of making them pregnant with the seed of their enemy. This occurred in Bosnia and Herzegovina, as well as Rwanda.

But the ad hoc tribunals investigating charges of atrocities in the Balkans and Rwanda have not included enforced pregnancy among the crimes. Even charges of rape in Bosnia were formally filed in only one case — under the insistence of women's groups and human rights groups.

The Vatican, as well as many Islamic countries and American anti-abortion rights lobby groups, agrees that such kinds of rape are war crimes, but complain that enforced pregnancy is too general a term, and that it could be used to challenge countries that have anti-abortion laws on their books.

One member of the Holy See's delegation, who spoke on condition of anonymity, said, "We are deeply sensitive to this issue. We have nuns and brothers who go to these war-torn areas to heal the victims and end up becoming victims themselves. But we have a juridical problem with the term." He added, "States which have legislation protecting right to life could end up being charged with enforced pregnancy."

Women's groups insist that the issue is separate from the dispute over abortion rights. But it is a measure of how deep the ideological rift is that each side suspects the other of hidden motives.

"We are basically reliving the attack on the women's platform at Beijing," said Rhonda Copelon, director of the legal secretariat of the International Women's Caucus, referring to the 1995 United Nations conference on women.

Ms. Copelon and other representatives of nongovernmental organizations said they detected signs at the conference of backsliding on a variety of gender issues. Members of the Women's Caucus said their efforts to have a meeting with the Holy See delegation were rebuffed. Ms. Copelon said that omitting mention of enforced pregnancy from the list of war crimes against women was unacceptable. "It denies a very grave crime for purely political reasons," she said.

Fire Near Acropolis Battled in Athens

The Associated Press

ATHENS — A fire raged through parched grass and olive trees Thursday near ancient ruins at the foot of the Acropolis, sending billowing smoke toward tourists before it was brought under control.

The blaze, which burned for about an hour, broke out between the Roman Agora, or marketplace, and the Tower of the Winds — a more than 2,000-year-old pillar that served as a sundial and weather vane.

Firefighters' trucks became stuck on the narrow, winding streets, making it difficult for them to reach the blaze. Residents used extinguishers and garden hoses to help fight the flames.

No injuries were reported. The cause of the fire was not clear.

More than 180 forest and brush fires have broken out in Greece during a heat wave in the last week, burning dozens of homes and thousands of acres of forests. At least two deaths have been reported.

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مكتبة الأمل

Birthplace Of Spanish Language

San Millan Is Site
Of First Writings

By Al Goodman

SAN MILLAN DE LA COGOLLA, Spain — The site where the earliest form of the Spanish language was written down for the first time, more than 900 years ago, has been changing of late.

A four-star hotel now occupies a rehabilitated part of the large twelfth-century monastery here, which is still used by 10 Augustinian Recollect friars. In December, UNESCO declared the big monastery and the smaller, older one up the hill a World Heritage Site.

Then on June 15, the regional government of Rioja unveiled the "Route of the Spanish Language," which starts in San Millan and includes five other locations in north-central Spain that had a big influence on Spanish.

The route, meant to be self-guiding over several days, makes stops at the Santo Domingo de Silos monastery, where the monks became international stars in 1994 with their Gregorian chant recordings, and then at the former royal city of Valladolid, the University of Salamanca, the walled city of Avila and finally, Alcala de Henares, the birthplace town of Miguel de Cervantes.

Historians do not agree on the exact date for the first penned words that were the precursor for Spanish, but there is general consensus that the writings occurred in San Millan.

Situated in the verdant Cardenas River valley 295 kilometers (183 miles) north of Madrid, the town is named for the reclusive St. Millan, who lived many of his 101 years in the fifth and sixth centuries in cold, damp caves. The hotel offers considerably more comfort and is a suitable base from which to explore the origins of Spanish, now spoken by about 350 million people worldwide.

The language theme is evident even in the hotel's 25 rooms, (doubles cost 12,840 pesetas, about \$85, including tax), which all have framed reproductions of a crucial folio from a 10th-century parchment prayer book in Latin, the refined vernacular of the day.

Many historians say that in the late 11th century, monks began writing non-Latin words in the margins of the prayer book, annotating a language spoken by lay people.

"It's a very primitive Spanish, but it is no longer Latin," said Antonio Lopez Gomez, of the Royal Academy of History in Madrid, where the original book is safeguarded, shown only to professional researchers by appointment.

In the hotel rooms, the prayer book's folio 72 is reproduced because it has the longest annotation in early Spanish, which begins, "With the help of our Lord, our Lord Christ, Our Savior."

A leading Spanish scholar, Claudio Garcia Turza of the University of La Rioja, said the unidentified monks probably made their notes to understand the prayers they were studying, or to recite aloud the non-Latin words so that the faithful would better comprehend the religious services.

Garcia Turza recently found evidence of early Spanish annotations from the 10th century, 100 years before the widely recognized 11th-century writings. But even if further study confirms the finding, San Millan need not relinquish its claim as the "cradle of Castilian" because the early writings all came from books at the Suso (upper) monastery, one and a half kilometers uphill from the hotel.

In the sixth century, St. Millan lived in a grotto on the secluded promontory, giving seed to the Suso monastery, a fortified outpost of learning in medieval times. Its caves and distinctive architecture, including seventh-century Visigoth



The writings were done at the older Suso monastery, uphill from the Yuso monastery.

styles and 10th-century Mozarabic arches, can still be seen, with free admission.

But the building where the early Spanish annotations were made is no longer standing, and the monastery ceased functioning last century. Long before, in the 11th century, a king ordered the remains of St. Millan to be buried in the valley below, thus starting the larger Yuso (lower) monastery.

Most of its graceful stone complex with red-tile roof dates from the 16th to 18th centuries. The Yuso tour, for 400 pesetas, includes a look at another reproduction of the early Spanish writings, a fascinating collection of 18th-century oversized prayer books and the alabaster sarcophagi with its flamboyant depictions of angels.

In recent years, the cash-strapped friars ceded a rectangular wing of the monastery for a hotel. In exchange, the Rioja regional government improved the heating system in the cavernous monastery, rehabilitated the friars' bedrooms and installed an elevator.

THE monastery has become such an attraction that it had 100,000 visitors last year, perhaps a surprise to those who usually associate the Rioja region with sturdy red wines, not the origins of Spanish.

A thick stone wall separates the monastery from the hotel, which opened in 1995. The best guest rooms, numbered 203 to 211, overlook the garden entrance to the monastery and to a hillside covered with pines and shrubs.

Room 203 commands a corner of the building, with plenty of light streaming in through four arched double doors with shuttered, double-paneled windows. The firm twin beds are pushed together (the hotel has just one double bed) on the polished

wooden floor. A minibar and satellite television permit an easy connection to the secular world.

Downstairs, the Continental breakfast is a sharp contrast to the delightful dinner for two of hearty noodle soup, a thick sirloin and lamb chops with full garnish, dessert, and a half-bottle of a 1995 Rioja Puerta Vieja, for 8,450 pesetas.

To work off the meals, try the extensive nearby hiking trails. Take the narrow paved road up the valley for two kilometers to the hamlet of Lugar del Rio (Place on the River). Continue another kilometer and a half and cross a noisy metal grate in the road to enter a nature reserve where picnicers park their cars in a meadow beside the river. To the right, up a steep gravel road and by a small structure, is the start of a footpath that is roughly parallel to the river and above the road.

We tried the same route on old mountain bikes, rented at the hotel for 1,070 pesetas, for a few hours before lunch.

St. Millan lived his first stint in a cave far up this valley, dominated by the 2,271-meter (7,467-foot) St. Lorenzo peak. He later relocated to caves downstream where the Suso monastery was built, and where, centuries later, a new language took form.

Hosteria del Monasterio de San Millan, (34) 941-373-277, or e-mail: smillan@rai.es. Suso monastery tours, from 10 A.M. to 2 P.M. and 4 P.M. to 7 P.M. in summer, except Monday. Yuso monastery visits, daily in summer from 10:30 A.M. to 1:30 P.M. and 4 P.M. to 6:30 P.M.

Al Goodman, who writes for The New York Times from Spain, wrote this for the International Herald Tribune.

Mayfair Casinos Gamble On Asian High Rollers But Financial Crisis Raises the Stakes

By David Spanier

LONDON — The ebb tide in Asian financial markets has caused a ripple in a surprising place — the casinos of Mayfair. Across the green baize of the highest stakes tables in Europe, Asian gamblers are calling, "Rien ne va plus."

This is bad news for the casino sector. The clubs around Park Lane and Piccadilly depend almost entirely on the high-roller market. Now these elegant casinos — the antithesis of Las Vegas brash and flash — are feeling the backwash of the Asian crisis. Most of the high rollers, gamblers who will play up to half a million or even a million pounds (\$1.6 million) in a single night, hail from the Far East.

Their money may not have all gone down the chute with the stock market turmoil, but their confidence has evaporated. And confidence is the essence of gambling.

Since the financial crisis hit countries like Indonesia, Malaysia, Singapore and Hong Kong, as well as Japan, the high rollers have more or less disappeared. They still come to town, on business or for medical treatment, but they are not gambling in the heady, carefree way they used to do.

Throwing down a gauntlet to the gods of chance, the biggest casino group in town, London Clubs International, has just opened the most swank, plush casino on the whole Mayfair strip. Named 50 St. James, this magnificent mansion, formerly the Jamaican government office, has been set up and refurbished at a cost of £6 million as a veritable temple for high rollers.

"We are quite confident we can overcome our recent difficulties," Alan Goodenough, chief executive of London Clubs International, said at a recent annual meeting. The company reported an £8 million decline in profits in the year ending March 29. Goodenough also predicted numerous challenges in the year ahead.

In 18th-century opulence, with gold leaf and marble adorning its floors and ceilings, 50 St. James opened its doors with a succession of parties for the haut monde of gambling. Inside the house, footmen with flaming torches lighted the way up the grand curving staircase fanning out to the casino floor. The dining room, by contrast, is in Art Deco style, in chrome and wood, shaped like the interior of an ocean liner.

PLAYING IN PRIVATE At the heart of the new casino, which opened last week, are two private rooms, on either side of the entrance hall in feng shui balance. Here high rollers can gamble in seclusion, hidden from the curious or covetous eyes of regular punters in the main casino, where the lower-level gamblers go.

English is spoken, of course, but the British cannot afford to gamble for such high stakes — £1,000 or maybe £2,000 on a single number at

roulette, £25,000 a box at blackjack, up to £100,000 a hand at punto banco (as baccarat is known). Typically, the British bet in modest sums, indulging their gambling instincts with the National Lottery at £1 a ticket.

The highest of the high rollers are known in casino parlance as "whales." These are players for whom money, in the normal sense of the word, has no meaning — they are, in fact, far wealthier than the casinos where they play.

What they like to do is sit down in a private room and take on the casino, to see who will blink first. They may win a million in 40 minutes, they may play all night. The casinos love their action, but at the same time are frankly terrified of them.

A player like Kerry Packer, the Australian entrepreneur and polo enthusiast, takes a particular pleasure in tilting at casinos. In Las Vegas he has tried to raise the stakes at baccarat to allow him to wager \$1 million a hand. Considering that 40 or 50 hands may be dealt in an hour, this is too risky for any casino, even though the odds are in its favor. The size of the action in London may be gauged by the fact that the billionaire arms trader Adnan Khashoggi recently settled gambling debts of several million pounds after being sued by London Clubs International.

AFTER the whales comes another important category of player, described as Asian "old money." These are discreet, established players who have made a fortune in finance or industry and who gamble for very high stakes as a form of relaxation. As one casino executive explained, such people can control more or less everything else in their lives except the turn of a card — for them, that is the thrill.

They differ from Asian "new money" — people who have made it, one way or another, in business. These players are well aware of their own value and seem to relish the risk involved in gambling.

London Clubs International and other casino operators, like Capital Corp., are adept at looking after these different kinds of clients. They strive to make the clients' visits to town as agreeable as possible. But what if the Asians are not coming or not playing? Fortunately, there are other premium players, notably from the Arab world, which helps spread the risk.

But London Clubs International has been hit by another blow. The company faces a bill of £12 million a year, if a new government tax on casinos is not modified.

In addition, a new operator, the Monte Carlo-based Barclay Brothers, has obtained a license for London Clubs International's former premises at the Ritz, which is vacated to open 50 St. James. This will bring the total number of casinos in London to 23. No wonder the operators are hoping the Asian collapse will soon be settled.

David Spanier is a free-lance journalist based in London.



The 50 St. James casino, refurbished at a cost of £6 million, on the Mayfair strip.

DINING

A Paris Institution Reinvents Its Menu

By Patricia Wells
International Herald Tribune

PARIS — Some city restaurants have an uncanny way of allowing themselves to be reinvented for each generation of diners. Pierre au Palais Royal, situated behind the Comedie Francaise, is one of those endlessly flexible restaurants.

Owners, waiters and waitresses change, but this longtime beacon of true French bourgeois fare remains steadfast. Well, sort of.

The restaurateur Jean-Paul Arabian (formerly of Lille and Ledoyen in Paris) has taken over, giving the cozy restaurant a face-lift and wisely altering the menu to please a broader range of palates while remaining true to the cause.

Fashion has fads so why shouldn't food? And since it's not likely that the world will end its love affair with pasta and rice anytime soon, Arabian offers a bit of each, along with such Pierre favorites as foie gras, organ meats, steak, boeuf à la ficelle, roast duck with peas, and the extraordinary cheeses of Paris's best cheesemonger, Roger Alesse.

A recent dinner there was close to perfect. It began with a modern and refreshing gazpacho — lots of minutely chopped vegetables in a slightly spicy tomato broth — set off with a tartare of tuna and a flourish of fresh herbs.

Less exciting, and an old-fashioned preparation that might as well be scratched from the books, was an overcooked, soggy portion of white asparagus topped with a needless rectangle of puff pastry, all bathed in a buttery sauce

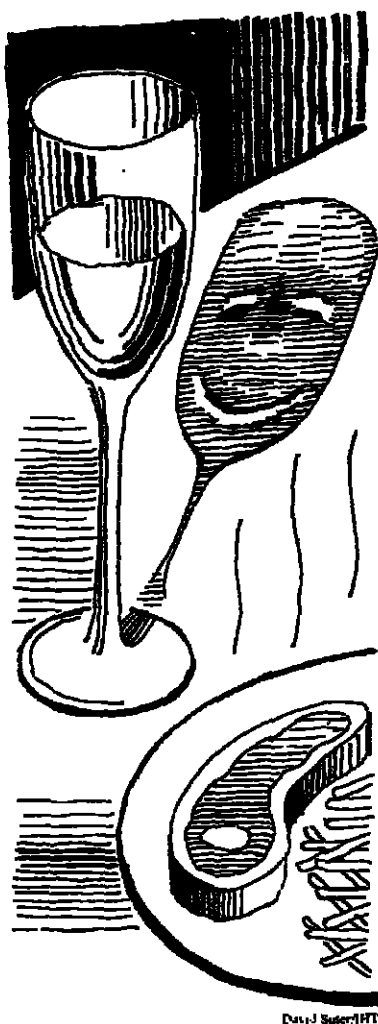
mousseline. Even at its best, I think this dish speaks of days past. Today we like our asparagus a bit less gussied up, and certainly less cooked.

The pastas and rice are a revelation, in that they are FRENCH versions, not Italian. And once the French learn how to cook pasta and rice — Italy, watch out. The spaghetti with *palourdes* was distinctly French tasting, with a broth that had a rich, substantive base. The clams could have been cleaned a bit better, but the overall effect was truly satisfying. Ditto for the risotto that bound delicious fresh *girolles* (chanterelles) and another variety of mushroom, *mousserons*, to the firm grains of rice, bathed in a densely flavored stock.

For the culinary classicists, Pierre offers giant portions of veal tongue, *langue de veau*, poached and served with a brilliant fricassee of seasonal vegetables. Perhaps the dish most often ordered here is the pan-seared *entrecôte*, a beef rib steak beautifully cooked and served with a green salad and a gargantuan mound of crisp, hand-cut fries. Desserts were fine but nothing to rave about. The *millefeuille à la fraise*, or thin squares of puff pastry layered with cream and fresh strawberries, was on the bland side, as was the traditional cherry flan, or *clafoutis aux cerises*.

The wine list is limited but includes a nice selection of Chinon, the fine light red Burgundy Marsannay from Domaine Bruno Clair, the 1994 priced at 195 francs (\$32).

On the evening of our visit, smokers were ubiquitous and annoying, so go forewarned.



Pierre au Palais-Royal, 10, rue de Richelieu, Paris 1; tel: 01-42-06-09-17; fax: 01-42-96-27-17. Open until midnight. Closed Sunday and in August. Valet parking, evenings only. Air-conditioned. A la carte, 215 to 350 francs (\$35 to \$55), including service but not wine.

Luxury at a Bargain in Vietnam

By Philip Shenon
New York Times Service

HO CHI MINH CITY — The great Vietnamese tourism boom, which turned this into one of the most fashionable destinations in Asia in the early 1990s, has begun to evaporate. The drop-off in tourism to Vietnam offers travelers an opportunity to see this beautiful, long-isolated nation at a bargain price — and at a level of comfort that would once have been unthinkable here.

The Vietnamese tourism industry is being battered by the Asian economic crisis, which has cut off the flow of tourists from other Asian countries, and by dramatic overbuilding in the hotel industry.

Tourism has also suffered because Vietnam, unlike Thailand and some of its other neighbors, has not seen a major devaluation of its currency over the last year, which has created at least the impression that other Asian nations offer better value.

In the first three months of this year, 410,000 tourists visited Vietnam, a drop of about 5 percent from the same period a year earlier. The drop is especially significant when measured against the explosive growth in tourism since 1990, when only 250,000 foreign travelers arrived in Vietnam during the entire year. Last year there were 1.7 million foreign visitors, who spent an estimated total of \$560 million.

The number of tourists began to decline just as dozens of new hotels, many of them financed by American and other foreign investors who were

encouraged to put their money here after the lifting of the American economic embargo in 1994, began to open in Hanoi and Ho Chi Minh City, formerly known as Saigon.

As a result, thousands of hotel rooms go empty each night, with many new luxury hotels reporting occupancy rates as low as 20 percent.

The glut will worsen in coming months, as a Marriott opens in Ho Chi Minh City and a Hilton opens a block from the French colonial opera house in Hanoi (managers at the latter are girding themselves for a rash of unfunny jokes comparing their hotel to the "Hanoi Hilton," the jail for American prisoners during the Vietnam War).

HOTELS AT BUDGET RATES

Impoverished after decades of war, Vietnam had no resources to build new hotels until the Communist government decided to end its isolation and to allow foreign investors to return here in large numbers in the early 1990s. It took years for supply to catch up with demand; as recently as 1996 a tourist looking for only the most basic accommodation in Hanoi would need to reserve a room weeks in advance.

But today a visitor can walk up to the front desk of several five-star hotels in Vietnam's major cities and find check-in clerks eager to negotiate a budget rate.

The fabled Caravelle Hotel in Ho Chi Minh City, a haunt of foreign correspondents during the war, has undergone a multimillion-dollar renovation that has turned it into a marble-draped palace complete with

rooftop swimming pool. It is offering rooms for \$89 a night, including all taxes and a full buffet breakfast.

The city's most modern luxury hotel, the New World Saigon, is offering rooms with a spectacular view out toward the Saigon River for \$95 a night, taxes included, which is less than half the basic rate it was charging a year ago.

Budget travelers will find even better bargains at the hundreds of small family-run inns that dot the city.

In the 1980s the restaurant offerings in Hanoi and Ho Chi Minh City were slim. Most restaurants were government-run, the food often inedible. But the arrival of a semblance of a free market in Vietnam in the early 1990s has resulted in hundreds of new privately owned restaurants. And like the hotels, restaurants are suffering badly. One pays budget prices for delicious, often spectacular Vietnamese and Western meals.

DINNER for two at the luxurious newly opened Mandarin restaurant, which specializes in classic Vietnamese cuisine and is set in a renovated French colonial villa on Ngo Van Nam Street near the river, is about \$35 for two, including wine.

The city is crowded with French restaurants — no surprise given Vietnam's colonial ties — and among the best is Le Mekong on Dong Du Street, which offers a daily set lunch for \$6.95. The New World serves a luncheon buffet for \$4.95, a favorite among backpacking tourists during the steamy summer here because of the hotel's hyperefficient air-conditioning.

THE CAR COLUMN

Fiat Finds Reasons to Be Small

By Gavin Green

OVER the past few decades, carmakers have lost the art of making good small cars. They have lost sight of what good small cars should be. Just being small is not enough; they must have a reason to be small.

The greatest small car of all was the Mini. It was small enough to squeeze into tight parking spots and tight traffic. Just as important, it was huge fun to drive. It was also as roomy as a car just 10 feet long could possibly be and had terrific pep to its step. It was also cheap. Finally, it looked fantastic, an exemplar of great form following great function.

Nowadays the only company building great small cars is Fiat. The Italians never deserted the small car niche, which could be one reason that it never lost the knack. While rivals were killing their baby models in the race to launch so-called "superminis," Fiat kept the faith. (It also launched the best supermini of the '80s, the Fiat Uno, just to prove that it knew how to master cars of the next class up.)

Fiat's first great baby car was the Topolino of 1936, designed by Dante Giacosa, but it was the original Seicento

a few years later, they were also spirited and fun to drive.

The new Seicento nobly continues Fiat's mastery of the small car art. It is based on the 1990s Cinquecento, which it succeeds, and, like its predecessor, it is built in a Fiat factory in Poland, which helps to keep costs low and make it good value. It is as small as any car needs to be, yet can still accommodate four adults, at least for short journeys. It is designed for the city, and has nippy acceleration and pleasingly direct steering. The windows are all deep and the pillars comparatively narrow, to give terrific visibility—a rarity these days. This facilitates parking and maneuvering in traffic.

In Western Europe, it is designed to be a second, city car, which is why the Fiat engineers did not bother unduly to make the little car quiet and refined on long journeys. Wander onto the highways and the old 900cc engine—whose history is almost as long as Fiat's—groans and whines, as it expresses its displeasure at such inappropriate use. If you want to do long country runs in your Seicento, make sure you pump for the stronger and much newer 1100cc unit. Around town, though, the cheaper 900 is fine.



The notchy gearshift was the worst feature of the last Cinquecento. The new car's shift is more direct and less troublesome, but there is still a balkiness and inconsistency about its action. It is the Seicento's only dynamic weak spot.

The cabin is trimmed in bright, fun materials, big dashboard bins can store all sorts of clutter, and the instrument binnacle is a grapefruit-sized pod right in front of the driver with small speedometer, fuel gauge and clock. There are no other instruments, for the simple reason that no other instruments are necessary.

Since Fiat's recent success with the last Cinquecento, other carmakers are racing back into the small car segment. The Volkswagen Group has a brace of challengers (the Seat Arosa, and the coming VW Lupo), and the Japanese and Koreans are crowding in too. I haven't driven the Lupo yet but, of the others, none works convincingly. They are either too frumpy or, as with the Ford Ka, too cramped. None has the same magical mix of utility and fun. The new Seicento is such a gas it almost makes driving in crowded, traffic-clogged European cities fun again.

• Fiat Seicento (600). About \$11,000. Four-cylinder 899cc engine, 39 BHP at 5,500 rpm. Five-speed manual transmission; front-wheel drive. Top speed: 139 kph (86 mph). Acceleration: 0-100 kph in 18.0 seconds. Average fuel consumption: 6.0 liters per 100 km.

Next: The BMW 3-series

Gavin Green is the editor in chief of Car magazine.

MOVIE GUIDE

ARMAGEDDON

Directed by Michael Bay.

U.S.

Doom threatens. Again. This time it's a giant asteroid ("It's the size of Texas, Mr. President"), and it's the Chrysler Building that becomes New York's most conspicuously flamed landmark (just as "Deep Impact" toppled the Statue of Liberty and "Godzilla" wrecked the Brooklyn Bridge). That damage is done by a fake meteor shower during the first part of "Armageddon."

The sight, however apocalyptic, isn't as scary as the prospect of raising a generation of Americans on movies like this. Movie isn't actually the best word to describe "Armageddon." More accurately it's a product, a feat of salesmanship, a sight worth noticing only because, like the asteroid on a collision course with planet Earth, its size and inevitability aren't easy to miss. But it should surprise no one to learn that, without counting technical jargon, official titles, "government" or profanity, "Armageddon" is easily the biggest word in the script.

As produced by Jerry Bruckheimer and directed by Michael Bay with trademark expensive bombast, "Armageddon" tries to tell a coherent story of guts, young love and space travel. There's not a believable moment here (unless you count some boyish carousing in a strip club). The actors mark time, and the gung-ho heroics on display are embarrassingly hollow. (They will be even more so when this show of ersatz patriotism plays overseas.) First seen chipping golf balls spitefully at a Greenpeace vessel, Bruce Willis stars as a bullying oil tycoon who is called Harry S. Stamper and lives up to the name. As the action begins, Harry noisily tries to shoot A.J.



Liv Tyler and Ben Affleck in "Armageddon."

Frost (Ben Affleck), the story's nice young man, for sleeping with Grace Stamper (Liv Tyler), the big man's beautiful, sheltered daughter. Though marooned on an oil rig in the South China Sea, Grace has a silky Asian wardrobe that shows up nicely at NASA headquarters later in the story. After a team of experts led by Dan Truman (a strong, no-nonsense Billy Bob Thornton) determines that the planet faces imminent destruction, both Stamper and Frost are recruited by the U.S. government for instant heroism duty. As "Armageddon" forges ahead on two and a half hours' worth of autopilot, it proves itself an action pot-boiler with more of a political agenda than most. American military uniforms and badges are studied lovingly. Non-Americans are reduced to faceless stereotypes, mostly seen in large crowds. A bumbling Russian cosmonaut (Peter Stormare) is presented as if somebody wanted to restart the Cold War. Prayers are as heavily emphasized as they are understandable under the circumstances. Harry: "C'mon, God. Just a little help. That's all I'm asking."

(Janet Maslin, NYT)

MULAN

Directed by Barry Cook and Tony Bancroft.

U.S.

Some day her prince may come. But the kung fu Cinderella of "Mulan" isn't sitting around the fishpond playing hard to draw. Unlike her animated forerunners, Fa Mulan is a fairy-tale feminist, and it is she who determines her fate in this intriguing, elegantly designed feature from Disney's ink pots. Mulan, pluckily voiced by Ming-Na Wen ("The Joy Luck Club"), is a legendary girl warrior from ancient China who disguises herself as a boy and secretly takes her elderly fa-

ther's place in the imperial army. The free-spirited teenager's derring-do has been the stuff of Chinese bedtime stories for 2,000 years, but as adapted here fits the studio formula like the glass slipper did the dainty foot of its true owner. Hence the fourth-century heroine winds up with a pair of wacky animal sidekicks and a wisecracking granny right out of "The Beverly Hillsbillies." And, while they're never espoused, Mulan gains an awareness of contemporary feminist ideals. Her motives, on the other hand, are not only more in keeping with the beloved legend but sure to register with boys as well as girls. Although she has been reared to fulfill a womanly role in her rigidly structured society, Mulan prefers the company of her horse, Khan, to the mincing manners of her painted peers. "Mulan" may be exotic, but it's hardly a risky enterprise, what with its sentimental show tunes, wholesome morals and plucky teen heroine. Heroines are all pretty darn spunky of late... though Mulan may well be the only cross-dresser to play the lead in the Magic Kingdom. (Rita Kempley, WP)

ARTS GUIDE

AUSTRIA

VIENNA
Palais Liechtenstein, tel: (1) 317-6800, closed Mondays. To Sept. 20: "Sculpture in the Light of Photography, 1850-1990." Explores the interaction between sculpture as three-dimensional art and photography as art of surfaces. Features about 200 works by sculptors and photographers such as Brancusi and Mapplethorpe.

AUSTRALIA

SYDNEY
Powerhouse Museum, tel: 217-0111, open daily. To Oct. 11: "Imperial Austria: Treasures of Art, Arms and Armor from the State of Styria." Showcases suits of armor, medieval swords, firearms, paintings and sculpture dating from the 15th, 16th and 17th centuries when the Austrian state of Styria stood as Europe's bastion of defense against invasions from the east.

BELGIUM

ANTWERP
Koninklijk Museum voor Schone Kunsten, tel: (3) 238-7809, closed Mondays. Continuing to July 26: "Pieter Bruegel the Elder et Jan Bruegel l'Ancien: Une Famille de Peintres Flamands vers 1600." Approximately 20 works on paper as well as 130 paintings by the sons of Pieter Bruegel the Elder.

BRITAIN

LONDON
Tate Gallery, tel: (171) 887-8000, open daily. To Nov. 1: "Moonlight and Firelight: Watercolours from the Turner Bequest." Examines Turner's interest in depicting the hues of moonlight. The selection of 80 works includes watercolors, prints and sketches.
www.tate.org.uk

Oxford

Ashmolean Museum, tel: (865) 278-000, closed Mondays. To Sept. 13: "Claude Lorrain: Drawings." The 20 etchings and 80 drawings displayed here, on loan from the British Museum, represent every phase of the draftsman's work of the French artist (1600-1682), including nature studies sketched in the Roman countryside.
www.ashmol.ox.ac.uk

CHINA

SHANGHAI
Shanghai Museum, tel: (21) 6372-3500, open daily. The new museum building, inaugurated in October 1995, houses more than 100,000 items of ancient Chinese art: bronzes, ceramics, furniture, jade, calligraphy, minority arts, paintings and sculptures.

FINLAND

HELSINKI
Museum of Finnish Art, tel: (0) 17-33-61, closed Mondays. To Oct. 18: "Mir Iskusiva: Russian Neo-Romanticism and the Finnish Golden Age." Works by Russian artists who belonged to the reform-oriented movement Mir Iskusiva in St. Petersburg in the 1890s. Also features works by Finnish artists who participated in Mir Iskusiva's inaugural exhibition. The exhibition will travel to St. Petersburg in October.

FRANCE

PARIS
Grand Palais, tel: 01-44-13-17-17, closed Tuesdays. Continuing to July 20: "Delacroix: Les Dernieres Annees, 1850-1863." More than 100 paintings and drawings by the French painter (1798-1863).

GERMANY

BERLIN
Deutsche Guggenheim, tel: (30) 34-07-41-34, open daily. To Sept. 6: "From Durer to Rauschenberg: A Centenary of Drawing—Masterpieces from the Albertina and Guggenheim." Features more than 80 drawings by Durer, Raphael, Rubens, Rembrandt, Fragonard, Klimt, Schiele, Picasso, Belys and Rauschenberg, among others, which are on loan from the Albertina in Vienna and the Solomon R. Guggenheim Museum in New York.

HONG KONG

Hong Kong Museum of Art, tel: (1) 702-1116, closed Mondays. Continuing to July 18: "Toy Litter: Landscapes in Chinese Style." Works by the Chinese Pop artist (1923-1997) that reflect the influence of Chinese landscape painting.

ITALY

MILAN
Palazzo Reale, tel: (02) 87-54-01, closed Mondays. To July 12: "Cesar." More than 100 works by the French sculptor (born 1921), ranging from welded animals and nudes, to the compressions and expansions of the 1960s and 70s, and to more recent works.

VENICE
Peggy Guggenheim Collection, tel: (41) 520-6288, closed Tuesdays. Continuing to Sept. 13: "The Later Mondrian: Still Life, 1950-1964." Concentrates on the still lifes painted by the Bolognese painter (1880-1964) during the last



In Atlanta, DeCarava portrait of civil rights protesters.

15 years of his life. They reveal his obsessive repetition of the same subject matter, with variations only in tone, composition and viewpoint.

JAPAN

OSAKA
Neville Museum, tel: (6) 318-1343, open daily. To July 7: "English Arts and Crafts Movements and Hamada Shoji." Arts and crafts created in England in the 1910s, '20s and '30s and their influence on the Japanese Folk Crafts movement, through one of its major figures, the potter Hamada Shoji (1884-1978).

Tokyo
Sezon Museum of Art, tel: (3) 59-52-01-55, open daily. To Aug. 3: "Diaghilev's Ballets Russes—Art, Dance and Music." Costumes, drawings of costumes and stage sets, and photographs bring back the accomplishments of the Ballets Russes, the work of Serge

Braque, Legar, Gris, Le Corbusier and Ozenfant. A selection from the collection of the Swiss banker who bought many works confiscated from the art dealer Kahweiler and added to them until 1928.
www.kunstmuseumbasel.ch

ZURICH
Kunsthhaus, tel: (1) 251-8765, closed Mondays. To Aug. 22: "The Bernhard Mayer Collection." From the collection of the German-born art dealer (1886-1948), a selection of works by Renoir, Cezanne, van Gogh, Picasso and Jawlensky, among others.

UNITED STATES

ATLANTA
High Museum of Art, tel: (404) 733-4437, closed Mondays. To Sept. 18: "Roy DeCarava: A Retrospective." The exhibition of 150 photographs is devoted to the work of the American photographer (born 1919), from his pictures of daily life in Harlem, through the civil rights protests of the 1960s, and the portraits of jazz greats.

HOUSTON
Museum of Fine Arts, tel: (713) 639-7300, closed Mondays. To Aug. 30: "From Object to Icon: The Art of Assemblage." Traces the role that assemblage has played in the evolution of modern and post-modern aesthetics, starting with Picasso's early collages. The exhibition includes assemblage art by Saint-Phalle, Tinguely, Rebecca Horn, Rauschenberg and Kiefer.

NEW YORK
Museum of Modern Art, tel: (212) 708-9400, closed Mondays. To

CLOSING SOON

July 12: "Visionair Gostenriek: Austria im Rosenzweig." A survey of Austrian culture and history from 1850 to date. Palais des Beaux-Arts, Brussels.
July 12: "Robert Capa: Photographs." Scottish National Gallery of Modern Art, Edinburgh.
July 12: "William Nicholson: Das Graphische Werk, 1895-1905." Kunsthalle, Darmstadt, Germany.
July 12: "Ficcione Intimes." Fundacio Joan Miro, Barcelona.

CROSSWORD

ACROSS

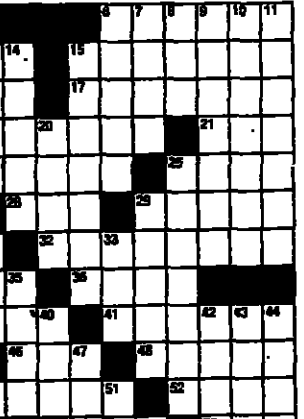
- 1 MTV alternative
- 6 Ice holders
- 12 Talking "Straight" author
- 15 Drop-off center, of sorts
- 16 Hot
- 17 Bad
- 18 Gaffer Hinkle
- 19 "Saul and David" composer Carl
- 21 One might find it boring
- 22 Tostitos hero

DOWN

- 24 Typical beginning
- 25 Pas—(gentle ballet) step
- 26 Carried chair
- 27 Sessaw necessity
- 28 Emulate Snidely Whiplash
- 29 Globolet
- 30 Construction workers
- 31 Priestly robes
- 32 Hatcher of "Lois & Clark"
- 33 Group with the "1 album "Vitality"
- 34 Man behind the wheel

ACROSS

- 41 Young rapist in cakes
- 42 Ledger line
- 43 M.P.H.
- 44 Many times before?
- 45 Penny's creator
- 46 Part of R.W.E.
- 47 One to build on?
- 48 Big ints. in camping
- 49 Engaging "Very Own"
- 50 Minute Maid competitor
- 51 The Eve of mythology
- 52 More than sweet
- 53 Like a span of
- 54 Man behind the wheel



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Solution to Puzzle of July 9

GOLD CYCLO SASH
OREO HALLOS OLA
VENTRILLOUVELOI
ESTERED ETOLE
ORE AMAT
OPEN BRIDGEHAND
LANE EARING COIL
ANTE ODA ORCA
YARN UNITED STP
MAGAZINEMOCKUP
ERIC POL
STING PIANISTE
WINDOWMANNEQUIN
ARTE RAISE UNTO
BOOR VENTIL EGGS

- 1 One who takes a bow
- 2 Queen Victoria's house
- 3 Strains at SkyDome
- 4 "—, gloom of night—"
- 5 Course with charts: Abbr.
- 6 Small part
- 7 Service break?
- 8 Prefix with -cide

- 9 Qabus bin Saud's domain
- 10 Race's end
- 11 M.I.T. grads
- 12 Kipling novel
- 13 Bust makers, for short
- 14 Quibus bin Saud's domain
- 15 Race's end
- 16 M.I.T. grads
- 17 Kipling novel
- 18 Bust makers, for short

- 19 Qabus bin Saud's domain
- 20 Race's end
- 21 M.I.T. grads
- 22 Kipling novel
- 23 Bust makers, for short
- 24 Quibus bin Saud's domain
- 25 Race's end
- 26 M.I.T. grads
- 27 Kipling novel
- 28 Bust makers, for short

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Thursday

TRIBTECH

TribTech explores and explains the breakthroughs that drive technological achievement in the Information Age, as they transform business strategies around the world and bring excitement and entertainment to daily life at home. Revolutionary ideas, fresh applications, hot new products, time-saving software, cutting-edge gadgets—you'll find out about it in TribTech.

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800-933-9111	Los Angeles	1-800-933-9111	Los Angeles
800-933-9111	London	1-800-933-9111	London
800-933-9111	Madrid	1-800-933-9111	Madrid
800-933-9111	Mexico City	1-800-933-9111	Mexico City
800-933-9111	Monterrey	1-800-933-9111	Monterrey
800-933-9111	New York	1-800-933-9111	New York
800-933-9111	Paris	1-800-933-9111	Paris
800-933-9111	Rio de Janeiro	1-800-933-9111	Rio de Janeiro
800-933-9111	Sao Paulo	1-800-933-9111	Sao Paulo
800-933-9111	Seoul	1-800-933-9111	Seoul
800-933-9111	Singapore	1-800-933-9111	Singapore
800-933-9111	Tokyo	1-800-933-9111	Tokyo
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Thursday's 4 P.M. Close
The 2,600 most traded stocks of the day.
Nationwide prices not reflecting late trades elsewhere.
The Associated Press

[illegible][illegible]

12 Month High Low Stock			Div	Yld	PE	100 High	Low	Unltd Crp
41	22%	ComE	1.62	43	15	120	35%	34%
19	22%	ComE	1.62	43	15	120	35%	34%
20	22%	ComE	1.62	43	15	120	35%	34%
21	22%	ComE	1.62	43	15	120	35%	34%
22	22%	ComE	1.62	43	15	120	35%	34%
23	22%	ComE	1.62	43	15	120	35%	34%
24	22%	ComE	1.62	43	15	120	35%	34%
25	22%	ComE	1.62	43	15	120	35%	34%
26	22%	ComE	1.62	43	15	120	35%	34%
27	22%	ComE	1.62	43	15	120	35%	34%
28	22%	ComE	1.62	43	15	120	35%	34%
29	22%	ComE	1.62	43	15	120	35%	34%
30	22%	ComE	1.62	43	15	120	35%	34%
31	22%	ComE	1.62	43	15	120	35%	34%
32	22%	ComE	1.62	43	15	120	35%	34%
33	22%	ComE	1.62	43	15	120	35%	34%
34	22%	ComE	1.62	43	15	120	35%	34%
35	22%	ComE	1.62	43	15	120	35%	34%
36	22%	ComE	1.62	43	15	120	35%	34%
37	22%	ComE	1.62	43	15	120	35%	34%
38	22%	ComE	1.62	43	15	120	35%	34%
39	22%	ComE	1.62	43	15	120	35%	34%
40	22%	ComE	1.62	43	15	120	35%	34%
41	22%	ComE	1.62	43	15	120	35%	34%
42	22%	ComE	1.62	43	15	120	35%	34%
43	22%	ComE	1.62	43	15	120	35%	34%
44	22%	ComE	1.62	43	15	120	35%	34%
45	22%	ComE	1.62	43	15	120	35%	34%
46	22%	ComE	1.62	43	15	120	35%	34%
47	22%	ComE	1.62	43	15	120	35%	34%
48	22%	ComE	1.62	43	15	120	35%	34%
49	22%	ComE	1.62	43	15	120	35%	34%
50	22%	ComE	1.62	43	15	120	35%	34%
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56	22%	ComE	1.62	43	15	120	35%	34%
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58	22%	ComE	1.62	43	15	120	35%	34%
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64	22%	ComE	1.62	43	15	120	35%	34%
65	22%	ComE	1.62	43	15	120	35%	34%
66	22%	ComE	1.62	43	15	120	35%	34%
67	22%	ComE	1.62	43	15	120	35%	34%
68	22%	ComE	1.62	43	15	120	35%	34%
69	22%	ComE	1.62	43	15	120	35%	34%
70	22%	ComE	1.62	43	15	120	35%	34%
71	22%	ComE	1.62	43	15	120	35%	34%
72	22%	ComE	1.62	43	15	120	35%	34%
73	22%	ComE	1.62	43	15	120	35%	34%
74	22%	ComE	1.62	43	15	120	35%	34%
75	22%	ComE	1.62	43	15	120	35%	34%
76	22%	ComE	1.62	43	15	120	35%	34%
77	22%	ComE	1.62	43	15	120	35%	34%
78	22%	ComE	1.62	43	15	120	35%	34%
79	22%	ComE	1.62	43	15	120	35%	34%
80	22%	ComE	1.62	43	15	120	35%	34%
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89	22%	ComE	1.62	43	15	120	35%	34%
90	22%	ComE	1.62	43	15	120	35%	34%
91	22%	ComE	1.62	43	15	120	35%	34%
92	22%	ComE	1.62	43	15	120	35%	34%
93	22%	ComE	1.62	43	15	120	35%	34%
94	22%	ComE	1.62	43	15	120	35%	34%
95	22%	ComE	1.62	43	15	120	35%	34%
96	22%	ComE	1.62	43	15	120	35%	34%
97	22%	ComE	1.62	43	15	120	35%	34%
98	22%	ComE	1.62	43	15	120	35%	34%
99	22%	ComE	1.62	43	15	120	35%	34%
100	22%	ComE	1.62	43	15	120	35%	34%

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Continued on Page 18

Gain Helping with Korea

CLUB

هذه امانة الامل

By Don Kirk
International Herald Tribune



Compiled by Our Staff From Dispatches

By John Schmid
International Herald Tribune

to death, including the professionals," Mr. Home said. "As the old saying goes

As for Mr. Tietmeyer, traders said he had delivered the same worried message about rising asset prices often this year, blunting its impact. They predicted that his comments, which often carry tremendous weight in financial markets, would amount to only a speed bump this time.

By Youssef M. Ibrahim
New York Times Service

for a fee and listen to public concerts free.

affixed to a wall in the kitchen, where the average Finnish family spends a good deal of time in the long dark winter days. The screen can display electronic newspapers and the family can use it to send and receive e-mail over coffee, snacks or dinner.

Year	All U.S. companies (%)	S&P 500 (%)
'91	~105	~115
'92	~108	~118
'93	~110	~120
'94	~112	~122

Source: Bloomberg The Washington Post

At The New

By Geraldine Fabrikant

**By Geraldine Fabrikant
and Stuart Elliott**
New York Times Service

Some people even believe that the

But at a magazine that does not have a natural advertising niche — it is not a

In addition, well-established writers who are part of The New Yorker's lure may not remain. Most have one-year contracts, Ms. Brown said, adding that when she left Vanity Fair to join The New Yorker she did not take many writers with her.

Cross Rates												Libid-Libor Rates											
	\$	£	P.M.	F.R.	Lin	D.R.	B.F.	S.F.	Y.S.	CS	Pounds		Dollar	D-Mark	Swiss	French	Yen	ECU					
Australia	2.12	1.20	1.23	0.703	0.134	—	5.646	1.3	1.697	1.385	1.286		1-month	50% - 50%	2 1/2	77% - 77%	74% - 74%	4 - 4 1/4					
Canada	9.28	4.10	26.41	4.53	2.022	18.295	—	34.46	3.53	2.349	3.245		3-month	50% - 50%	2 1/2	77% - 77%	74% - 74%	4 - 4 1/4					
France	16.27	7.27	—	—	—	—	—	4.684	—	—	1.59		6-month	50% - 50%	2 1/2	77% - 77%	74% - 74%	4 - 4 1/4					
Germany	2.20	1.27	—	—	—	—	—	6.149	2.522	20.376	20.7	23.104		9-month	50% - 50%	2 1/2	77% - 77%	74% - 74%	4 - 4 1/4				
Italy	1.224	—	—	—	—	—	—	—	—	—	—	—		12-month	50% - 50%	2 1/2	77% - 77%	74% - 74%	4 - 4 1/4				
Japan	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Netherlands	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Portugal	2.20	1.27	—	—	—	—	—	6.149	2.522	20.376	20.7	23.104											
Spain	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Sweden	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Switzerland	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Taiwan	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
UK	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
US	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
West Germany	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Yugoslavia	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												
Other	1.23	1.23	1.23	0.845	0.255	0.885	7.557	3.1	1.179	1.237	1.242												

Sources: ING Bank (Amsterdam); KBC Bank (Brussels); Banca Commerciale Italiana (Milan); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Amnue de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Bloomberg and Reuters.

EUROPE

Link of Bourses
Interests Nasdaq

PARIS — The Nasdaq stock exchange wants to be part of a possible pan-European electronic market, John Wall, the president of Nasdaq International, said Thursday.

"Would we like to see a pan-European electronic market created and linked to the Nasdaq market? Yes, that goes to the very roots of the Nasdaq stock market," Mr. Wall said. "We would like to be able to have the U.S. investor participate with the European investor."

Asked about the proposed alliance between the Deutsche Boerse AG and the London Stock Exchange, he said, "We think that is a very positive step."

The London and Frankfurt exchanges said Tuesday that they were planning

to form a super-bourse to trade European stocks.

"It doesn't matter to me whether the other side of my transaction is in Boston or Frankfurt or Paris or London," Mr. Wall said. "Pooling alliances and bringing together investors in Europe is an absolute positive."

Spain Looks Abroad

Spain is planning to allow trading in Latin American stocks this year, making it easier for European investors to buy into that region's biggest companies while expanding the Spanish stock market by about 10 percent, Bloomberg News reported from Madrid.

Such a move, confirmed by the Madrid Stock Exchange on Thursday, could lift the appeal of trading on that market before the start of Europe's single financial market next year.

A Gloomy Forecast for Oil Producers

Agency Sees Falling Demand Amid Asia Slowdown and Russian Exports

Compiled by Our Staff From Dispatches

LONDON — The International Energy Agency on Thursday cut its forecast for global oil demand this year because of ongoing economic turmoil in Asia and a glut of shipments from Russia as that country struggles with its own economic problems.

The agency cut its demand forecast for this year by 100,000 barrels a day, to 74.9 million barrels a day.

"Demand is heading one way this year, and that's down," said Gareth Lewis-Davis, an analyst at the agency, which is based in Paris. "What the producers must be hoping for is a hot summer and a cold winter to ramp up demand and encourage prices."

London Brent crude oil futures were trading at \$13.25 per barrel late Thursday, down about 30 percent from a year ago. A deterioration in the Russian government's finances has forced the country to pour more oil into global markets in the West in recent months, the International Energy Agency said in its Monthly Oil Market Report.

Net oil exports from the former So-

viet territories, mainly Russia, hit 3.1 million barrels daily in May, a record for post-Soviet times, the agency said.

"The Russian government is determined to collect taxes," the agency said, "leaving cash-strapped oil companies to turn to high exports for hard currencies."

Lower demand than expected as the Asian crisis cuts the region's demand for oil, coupled with a warmer-than-expected Northern Hemisphere winter and rising global production also have increased the amount of oil on world markets and may delay oil producers' attempts to increase prices.

Rising Russian exports come despite Moscow's pledge to play its part in an effort by oil exporters to revive prices by cutting supplies. Producers from the Organization of Petroleum Exporting Countries agreed in June with non-OPEC nations on a second round of output cuts in the space of three months.

OPEC agreed cuts totaling 2.6 million barrels a day from the 75 million-barrel daily market, and the non-OPEC suppliers Mexico, Norway and Oman

chipped in with their own supply cuts. But the output reductions will take some time to make an impact on the market.

"It may be the fourth quarter before stockpiles are sufficiently eroded to allow oil prices to rise," said David Knapp, chief analyst at the agency.

The agency said that if OPEC honored its pledges to cut output, the group would likely be producing an average of 26.49 million barrels a day by the third quarter. That compares to the 27.95 million barrels a day the agency estimated OPEC produced in June.

The reduction in OPEC's output would help reduce the glut because the agency predicts the world will demand an average of 27 million barrels a day of crude from the group, which supplies about a third of the world's oil.

The International Energy Agency is an autonomous organization, established in 1974 within the framework of the Organization for Economic Cooperation and Development, and is the forum for coordinating the energy policies of 23 industrialized nations.

(Bloomberg, Reuters)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40		
6000	6250	4300		
5700	6000	4000		
5400	5800	3700		
5100	5700	3400		
4800	5600	3100		
4500	5400	2800		
1998	1998	1998		
F M A M J J	F M A M J J	F M A M J J		
Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	1,257.58	1,258.82	-0.16
Brussels	BEL-20	3,456.04	3,454.98	-0.03
Frankfurt	DAX	5,996.77	6,013.74	-0.27
Copenhagen	Stock Market	754.92	754.81	-0.02
Helsinki	HEX General	5,236.47	5,241.72	-0.10
Oslo	OBX	700.74	698.45	+0.33
London	FTSE 100	5,996.70	6,008.00	-0.60
Madrid	Stock Exchange	826.94	832.38	-0.64
Nice	MIBTEL	2,468.8	2,473.90	-0.21
Paris	CAC 40	4,218.75	4,238.91	-0.05
Stockholm	SX 16	4,432.51	4,476.12	-0.97
Vienna	ATX	1,824.51	1,826.55	-0.12
Zurich	SPI	5,123.47	5,130.01	-0.13

Source: Teletext International Herald Tribune

Very briefly:

• Bayerische Motoren Werke AG is to halt supply of engines and parts to Rolls-Royce Motor Cars Ltd. next year. The German carmaker first warned it would do so during negotiations to buy Rolls-Royce Motor Cars. BMW was outbid by Volkswagen AG.

• Germany's central bank left the 2.50 percent discount and 4.50 percent Lombard rates unchanged at the regular meeting of its policy-making council.

• Germany's cabinet nominated Hermann Remsperger, chief economist at BHF Bank in Frankfurt, to succeed Oskar Issing as the Bundesbank's chief economist.

• The European Union's unemployment rate was stable at 10.2 percent in May, according to official statistics.

• Thomson-CSF, the French defense electronics company, saw its employees subscribe for more than double the shares set aside for them as part of the company's privatization.

• France's economic growth slowed in the first quarter because the Asian crisis hurt French exports. The economy grew 0.6 percent, compared with 0.8 percent in the fourth quarter.

AFP, Bloomberg, Reuters

'Gaping Hole' at Deutsche Bank

Bloomberg News

New York — Deutsche Bank AG, Europe's second-largest bank, said Thursday it was considering buying a U.S. securities firm, a week after a team of its top investment bankers in the U.S. quit to join a rival.

Michael Philipp, head of equities worldwide, told employees at Deutsche Bank Securities Inc., the company's U.S. trading and underwriting subsidiary, that it has a "gaping hole" in its investment

banking business. He was referring to the surprise departure of Frank Quattrone, who was responsible for technology companies and much of his California staff to Credit Suisse First Boston.

"The franchise has to be replaced," and the firm could have a plan ready by July 17, Mr. Philipp said, according to people who heard him speak on a conference call Wednesday. "If we don't do anything, we're sitting here dead in the water."

Hallmark Buys British Greeting-Card Business

Compiled by Our Staff From Dispatches

LONDON — Hallmark Cards Inc. agreed Thursday to buy Creative Publishing PLC for £188 million (\$307.8 million) in cash to become the leading seller of greeting cards in Britain, the country with the highest sales per capita of greeting cards.

Hallmark's British unit is offering 233 pence per share for Creative Publishing, which closed Thursday at 227 pence, up 57.5 pence, or 34 percent.

Hallmark, based in Kansas City, Missouri, is privately held. Hallmark is a leader at the high end of the British greeting-card business, selling fancy cards at premium prices. Creative Publishing is the market leader

of boxed cards, such as Christmas greetings sold in bulk.

Executives from both companies called the deal a perfect fit and said no layoffs were planned.

Hallmark will also get Creative Publishing's manufacturing plant at its home base of Bradford, England. Hallmark's British subsidiary has previously hired outside contractors to make cards for the British market.

Hallmark controls about 42 percent of the U.S. greeting-card market and distributes cards in more than 100 countries in 30 languages. Creative Publishing was split from Fine Art Developments PLC and listed on the London Stock Exchange in October.

In an industry where accurate statistics are difficult to come by because of its scattered nature, Creative Publishing is estimated to have a 15 percent share of the £1 billion British market, which analysts say is growing by more than 10 percent every year.

Keith Alm, chairman of Hallmark Cards Holdings, said the acquisition would give it a 20 percent market share in Britain.

"It gives us an opportunity to expand into one of the most dynamic greeting card markets in the world," Mr. Alm said.

Hallmark's offer was approved unanimously by Creative's directors. (Bloomberg, AP, Reuters)

WORLD STOCK MARKETS

Thursday, July 9

Dolly prices in local currencies.

High	Low	Close	Prev.
Amsterdam AEX	1,257.58	1,258.82	-0.16
Brussels BEL-20	3,456.04	3,454.98	-0.03
Frankfurt DAX	5,996.77	6,013.74	-0.27
Copenhagen Stock Market	754.92	754.81	-0.02
Helsinki HEX General	5,236.47	5,241.72	-0.10
Oslo OBX	700.74	698.45	+0.33
London FTSE-100	5,996.70	6,008.00	-0.60
Madrid Stock Exchange	826.94	832.38	-0.64
Nice MIBFEL	2,468.8	2,473.90	-0.21
Paris CAC 40	4,218.75	4,238.91	-0.05
Stockholm SX 16	4,432.51	4,476.12	-0.97
Vienna ATX	1,824.51	1,826.55	-0.12
Zurich SPI	5,123.47	5,130.01	-0.13

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	High	Low	Close	Prev.		High	Low	Close	Prev.
Richmond	81.00	79.10	79.90	80.00	Bco Centro Hsp	1390	1370	1360	1370
SA Breweries	132.80	125.00	125.10	130.40	Bco Popelar	5390	5370	5370	5340
SBC	42.00	40.40	41.00	42.00	Bco Santander	N.A.	N.A.	N.A.	7790
Sent	22.25	21.80	21.90	22.00	Compania Occid	5590	5150	5150	5040
SIG (I.G.)	17.00	17.00	17.00	17.00	CPESA	8939	8910	8970	9000
Tiger Oils	57.00	56.50	56.50	57.00	Coastline	3620	3580	3530	3585
					Cop Muphe	5790	5560	5540	5640
					Elettron	3565	3475	3325	3320
					FECSA	1455	1440	1450	1450
					Finlyncr	1130	1230	1020	1020

Kuwait **Composites: 447.99**

The 4030 most traded National Market securities
in terms of dollar value, updated twice a year.
The Associated Press.

[illegible]

12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	53
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ASIA/PACIFIC

Asian Crisis Deflates China's Export Gain

Slump May Take Wind Out of Economy

Compiled by Our Staff From Dispatches

BEIJING — Chinese exports, battered by the Asian financial crisis, grew by only 7.6 percent in the first half of the year, compared with 26.2 percent growth during that period in 1997, state media reported Thursday.

The anemic export growth underscores the vulnerability of China to the lingering Asian financial turmoil and could strengthen Chinese resistance to making market-opening concessions at World Trade Organization talks later this month.

Analysts said that because of the weak export growth, the Chinese government would have a difficult task in achieving its target economic growth rate of 8 percent, and in honoring its commitment not to devalue the yuan. The government had been counting on export growth of 10 percent for all of 1998, compared with 20.9 percent in 1997.

"The effects of the crisis are being felt more and more keenly," a European analyst said. "The contribution of foreign trade to overall economic growth has been much weaker than expected."

Imports rose 2.2 percent during the first half of the year, to \$64.4 billion, leaving China with a \$22.25 billion trade surplus, according to customs figures released by the Xinhua news agency.

Building the export market could prove difficult amid continued economic woes in Asia.

"Basically, our exports to South Korea have ceased," said Cai Xiangming, director of planning at the trading arm of Baoshan Steel Group, the biggest Chinese steel exporter. "There's no chance of finding new markets in Southeast

Asia, so we are looking for customers in Europe and America."

According to the latest statistics on trade by region, Chinese exports to Japan in the first five months of the year were down 5.7 percent from a year earlier. Exports to South Korea fell 29.6 percent, while those to members of the Association of South East Asian Nations fell 10.5 percent. By contrast, during the first four months of the year exports to the European Union rose 29.7 percent and those to the United States increased 20.6 percent.

"I believe the impact from the Asian crisis will be more serious in the second half," said Ben Chiu, research manager for Hongkong Bank China Services Ltd., who predicts that China will have no export growth in that period.

Over the past month, President Bill Clinton of the United States and other leaders have praised China for not resorting to a yuan devaluation to fuel export growth. The yuan, which trades at a fixed rate of about 8.3 to the U.S. dollar, is partly convertible for trade. In China's black markets, the dollar has strengthened to 8.5 yuan or 8.6 yuan.

(AP, AFP, Bloomberg)



Focusing on the domestic economy at a builders' show in Beijing.

Hong Kong Brings Back Funds as Stimulus

Bloomberg News

HONG KONG — The Hong Kong Monetary Authority said Thursday that it was shifting \$3 billion back into Hong Kong banks from its overseas accounts to help relieve the first recession in more than a decade.

The authority, the central bank for Hong Kong, said the move was intended to "ease the liquidity

crunch and to encourage the lending appetite of the banks in Hong Kong." The shift started about two weeks ago, and about \$1 billion has been repatriated, the authority said.

By increasing the deposit base of banks in the territory, the authority hopes that the banks will lend more, which could increase spending by companies and consumers and stimulate the economy.

The placements were made on condition that the banks retain the deposits in Hong Kong. The funds are also not to be used to support speculative trading against the Hong Kong dollar.

The move follows a change in tax laws announced by the government last month that will remove the tax on interest payments on domestic deposits.

Indonesians, Facing Lean Times, Urge Debt Relief

By Timothy L. O'Brien

New York Times Service

NEW YORK — As the economy of Indonesia worsens, government officials have embarked on a campaign aimed at persuading international lenders to repackage up to \$9 billion of debt.

An International Monetary Fund official said he was confident that the fund would release about \$1 billion in aid to the country next week. But it is uncertain whether other lenders and investors will display the same faith.

"The economy is in worse condition than it was in April," said Finance Minister Ginandjar Kartasasmita, after meeting Wednesday with bankers in New York. "Our main concern now is to stabilize the economy."

Mr. Ginandjar said Indonesia planned to keep interest rates high to combat inflation and would allow the country's weakest banks to fail as resources were concentrated on a handful of strong banks.

He said Indonesia would also continue to liberalize its social policies.

"Indonesia has been portrayed as an outcast country because of our legal system and human rights issues," Mr. Ginandjar said. "We are embarking on a new era that we hope will cause the Western people and the Western media to look more favorably on us."

These are dire times for Indonesia. The damage wrought by the collapse of Indonesia's currency, the rupiah, has been so severe that a senior World Bank official said Tuesday that Indonesia faced an economic crisis unparalleled in the post-World War II era.

Indonesia expects its economy to contract about 13 percent this year — the first time the economy has shrunk since 1963. Automobile, electronics and construction output slid in the first half of the year, all of Indonesia's airlines are bankrupt and roughly 80 percent of flights to the country have been canceled.

In stark contrast, more human terms, the World Bank forecasts that 50 million of Indonesia's 200 million people could fall below the poverty line by the end of the year.

Government officials acknowledged a widespread concern about people dying of starvation. A severe drought is causing more pain in parts of the country.

Mr. Ginandjar was at Chase Manhattan Bank in New York to lobby international lenders to reschedule a portion of \$4 billion to \$6 billion in debt owed by corporations.

The lobbying effort will continue to Washington and on to Frankfurt, Paris, Tokyo, Seoul and Singapore.

Investor's Asia

Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong Hang Seng	12000	8,433.78	8,629.18	-2.26
Singapore Straits Times	1750	1,103.65	1,107.76	-0.37
Sydney All Ordinaries	11000	2,788.50	2,774.10	+0.53
Tokyo Nikkei 225	10000	16,446.95	16,530.97	-0.51
Kuala Lumpur Composite	800	447.89	455.28	-1.62
Bangkok SET	1000	Closed	273.43	
Seoul Composite Index	1000	318.02	318.79	+0.07
Taipei Stock Market Index	1000	7,947.53	7,936.82	+0.13
Manila PSE	1000	1,828.48	1,867.50	-1.57
Jakarta Composite Index	1000	4,70.321	472.98	-0.56
Wellington NZSE-40	1000	2,065.62	2,068.99	-0.12
Bombay Sensitive Index	1000	3,331.58	3,245.88	+2.65

Source: Reuters

International Herald Tribune

Very briefly:

• Brunei's economy and financial system are strong enough to withstand recent shocks, a Finance Ministry official said, including the failure of Amedeo, a company controlled by Jefri Bolkiah, brother of Sultan Mada Hassanal Bolkiah. News reports have suggested that the collapse of Amedeo amid losses estimated in the billions of dollars had caused major damage to the reserves of the oil-rich sultanate.

• The Financial Services Commission of South Korea recommended that four of the country's top six banks — Cho Hung Bank, Commercial Bank of Korea, Hanil Bank and Korea Exchange Bank — seek mergers with healthier rivals to avoid closure.

• India's software exports rose 67 percent in the year ended in March, the National Association of Software and Service Companies said, lifted by work that Indian software companies did overseas. The exports rose to 65.3 billion rupees (\$1.54 billion) from 39 billion rupees a year earlier.

• Infosys Technologies Ltd., one of India's most profitable software companies, said profit more than doubled in the most recent quarter — to 236.7 million rupees from 92.2 million rupees a year earlier.

• Japan's new Financial Supervisory Agency, which recently took over bank supervision functions from the Ministry of Finance, plans to begin inspecting the troubled Long-Term Credit Bank of Japan Ltd. early next week, the first of a series of planned inspections of Japan's top 19 banks.

• Telstra Corp., an Australian telecommunications company, plans to spend 420 million Australian dollars (\$258.9 million) to upgrade its mobile telephone network to improve service to rural areas.

• Korea Telecom Corp. shares should be traded publicly by the end of August as part of the South Korean government's privatization plan, said Jin Nym, the director of the Planning and Budget Commission.

AFP, Bloomberg, Reuters

Mitsubishi Downgraded Along With Sumitomo

Bloomberg News

TOKYO — Mitsubishi Corp. and Sumitomo Corp.'s ratings were cut Thursday by Standard & Poor's Corp. amid concern about the Japanese trading companies' rising risks from exposure to Asia. Mitsui & Co.'s short-term rating was maintained.

The three companies' ratings were put on review this month.

The companies' nontrading activities, which include loans and equity investments, have "generally performed poorly and may require further capital commitments," compounding problems of low profit margins and high debt usage, the U.S. ratings agency said.

The trading houses, which form the nucleus of Japan's largest *keiretsu* industrial groups, have been hit by worsening economic conditions and slumping currencies in Asia.

The long-term rating of Mitsubishi, Japan's largest trading company, was lowered to "A-plus" from "A-minus" with a negative outlook, while its short-term rating was cut to "A1" from "A1-plus." S&P lowered Sumitomo's short-term rating to "A2" from "A1."

Mitsui's short-term rating was reaffirmed at "A1," even though the company faces "considerable challenges from its exposure to nontrading activities in Asia outside Japan."

Think Stocks Are in the Tank? Look at Warrants

Bloomberg News

SINGAPORE — If there is a bigger casualty of Southeast Asia's financial turmoil than the region's stocks, it is warrants.

Warrants are options to buy shares at a specific price before a specific date. Most warrants due to expire in Singapore, Malaysia, Indonesia and elsewhere in the region this year will not be exercised because they are out of the money: they carry a price higher than the price of the underlying stock. That has deprived companies in the region, already squeezed by high interest rates, of billions of dollars and closed the door on yet another avenue for raising capital.

"It's fine when the market is doing well. Then you can support these sub-markets," said Song Seng Woon, an analyst with the G. K. Goh stock brokerage here. "But when share prices come off, everything else on the sidelines disappears."

Take Clipsal Industries Ltd., a maker of elec-

tronic products. The company will not be receiving \$11.9 million in new capital that it had been counting on. This is because it has 5.9 million warrants outstanding but unexercised. With an exercise price of \$2.03, and Clipsal's shares trading at 79 cents, investors have had little incentive to exercise their option.

So the story goes across the region. In Singapore, 14 out of 16 warrants set to expire this year are out of the money. The warrants not exercised would have raised in 1.43 billion Singapore dollars (\$838 million) for the companies. In Malaysia, eight warrants expiring this year have exercise prices higher than their current stock prices. So Malaysian companies will forfeit as much as 2.23 billion ringgit (\$534 million) when the warrants expire.

"In bear market scenarios, warrants fall faster than shares. Conversion premiums for some countries have even hit three-digit levels," said Soong Tuck Yin, research director at G. K. Goh,

"so in many cases it makes no sense to convert."

As of last week, only nine out of the 92 warrants issued by Singaporean companies were still in the money, according to the J. M. Sassoon brokerage. That is a 59 percent drop, compared with 63 warrants in the money as of September last year, before the Asian currency turmoil had really hit the Singapore market.

In Malaysia, only three of the current 117 warrants traded on the Kuala Lumpur Stock Exchange were still in the money last week.

How well a warrant fares hinges on its maturity. The nearer the redemption date, the slimmer the chances for salvaging value, analysts said.

Granted, there are exceptions. The warrants of a Singaporean property developer, City Development, expiring on July 19, are among the nine still in the money. The company says 80 percent of its 60 million warrants have been exercised.

Formosa Chemicals & Fibre Gets New Chief at a Bad Time

Bloomberg News

TAIPEI — After 23 years of service, Wang Wen-yuen will finally succeed his father as president of Formosa Chemicals & Fibre Corp., a unit of Taiwan's biggest industrial conglomerate, the company said Thursday.

The bad news is, at the age of 51, he takes the reins from 76-year-old Wang Yung-tsai as Formosa Chemicals Group is facing one of the most difficult periods in its history.

As economies across the region slow and currencies—including the New Taiwan dollar— weaken, Asian demand for the group's products is slumping, as its debt burden grows.

The group has incurred additional costs of \$290 million servicing its foreign debt in the past 12 months as the Taiwan dollar slipped about 19 percent, executives said.

Worse still, global commodities prices have also swung against the

company. "Their prospects rise and fall with plastics margins, and the outlook for global plastics margins looks very bearish now," said Sam Webster, petrochemicals industry analyst for Credit Suisse First Boston in Taipei.

For Formosa Chemicals & Fibre, one of the group's three major operating units, markets look particularly unfavorable.

"Of the basket of 34 commodities we track on the chemicals side,

two of their major products are probably in the bottom five in terms of outlook," Mr. Webster said.

CSFB has a "sell" recommendation on the company. For its sister companies, Formosa Plastics Corp. and Nan Ya Plastics Corp., CSFB has "hold" recommendations.

Still, the move clarifies the internal workings of the family-controlled Formosa Group, which makes up 3.7 percent of the island's benchmark stock index.

The promotion of Wang Wen-yuen — he was formerly a vice-president — was ordained by his uncle, 81-year-old founder, Wang Yung-ching.

In terms of the group, both Yung-ching and Yung-tsai are still responsible for strategy," said a Warburg Dillon Read petrochemicals analyst, Cynthia Chang. "The younger generation and the professional managers will take responsibility for daily operations."

INVESTING: Down but Not Out, Small-Cap Stocks Merit a (Historical) 2d Look

Continued from Page 15

Dreyfus, unfortunately, is the single largest shareholder in both firms. But instead of running from small-caps, you might think seriously about embracing them.

For two reasons: First, every portfolio needs small-caps for balance, and, if you're a buy-and-hold investor, large-caps have been taking up a bigger proportion of your portfolio and small-caps a smaller proportion — without your having done a thing. It's time to reallocate and correct the lopsidedness.

Say that at the start of 1995 you had a stock portfolio of \$75,000 — with \$50,000 invested in the large-caps that make up the S&P 500 and \$25,000 in the small-caps of the Russell 2000. That's a ratio of two-thirds large-caps to one-third small-caps.

Now check your portfolio. Not counting any tax liability, your total stake has ballooned to \$180,000. But the growth has been skewed: The large-caps are worth \$132,000; the small-caps \$48,000. Large-caps represent three-quarters of your portfolio, and that may be too much. To adjust the imbalance, your next \$20,000 in new money should go into small-caps.

Second, a good way to find prospective purchases is by mining the laggards.

It is a decent bet that one reason a sector has fallen behind is that Mr. Market, that manic-depressive personification of all investors, has got carried away. He may have become too enthusiastic about large-caps and too pessimistic about small-caps.

Why the divergence between big and small stocks?

Many analysts believe that fund managers, worried about the giddiness of this market, like to own large-caps because they are more liquid — that is, they have more shares and more trading, so there will be more buyers if managers have to unload them.

L. Keith Mullins, an equity strategist at Salomon Smith Barney, is not particularly bothered about liquidity because he says it is only temporary — a result of the Asian

Salomon's Top 15

Washington Post Service

WASHINGTON — Salomon Smith Barney has released its latest list of Ten Exceptional Names (actually, 15 issues traded on U.S. markets) for the next 12 months. Since the TEN-Plus list was introduced in 1994-95, it has beaten the market ever year.

By its calculations, TEN-Plus has returned an annual average of 33 percent, compared with 29 percent for the S&P 500 index.

The 15 are: Alcatel Alsthom CGE (symbol: ALA), Allstate Corp. (ALL), Amgen Inc. (AMGN), Applied Materials Inc. (AMAT), Black & Decker Corp. (BDC), Chase Manhattan Corp. (CMB), Honeywell Inc. (HON), International Business Machines Corp. (IBM), Motorola Inc. (MOT), Navistar International Corp. (NAV), Schering-Plough Corp. (SGP), Schlumberger Ltd. (SLB), Wal-Mart Stores Inc. (WMT), Williams Cos. (WMB) and Xerox Corp. (XRX).

— JAMES K. GLASSMAN

crisis. He has seen the process before. After the crisis subsides, he recently wrote clients, "The market's liquidity premium contracts and smaller-cap issues generally rally."

Mr. Mullins believes that small-cap fundamentals are solid. The fact that small stocks "have the ability to deliver stronger earnings growth than the large-cap indexes for the next 18 months or longer," he wrote, "should allow the group to enjoy more than a simple trading move."

Louis Navellier, the highly successful Reno, Nevada, money manager, predicts that small-caps will perk up this month with the release of earnings announcements.

"Investors should get ready to pounce on small-cap stocks," he says. But an extremely negative article in The New York Times on June 24 argued that small-cap investors "could be waiting quite a long time for their shares to bounce."

"I'm not so pessimistic. The real question is whether something has happened to change the value of small-caps for the long term. I don't think so."

In fact, in a new economy that rewards flexibility, small companies should have an edge.

The most convincing explanation for the current plight of small-caps is that the market simply plays favorites in cycles. This is a large-cap time, but at some point small-caps will move back on top. Long-term investors can afford to wait, especially with good prices now.

Small-caps beat large-caps for six years in a row between 1963 and 1968. For the next five years, leadership flipped back and forth. Then, from 1974 to 1981, small-caps beat

large-caps. In seven of the next nine years, large-caps beat small-caps. Small-caps then reeled off four straight winning years, followed by three straight — and almost certainly a fourth in 1998 — for large-caps.

Overall, small-caps rule. Research by Ibbotson Associates Inc. found that over the past 72 years, small-caps have averaged a return of 12.7 percent a year, compared with 11 percent for large-caps.

That is a huge difference in the long term. One dollar invested in 1926 in small-caps was worth \$5,500 at the end of last year; one dollar in large-caps was worth \$1,800, according to Ibbotson.

But with loftier returns comes higher risk. Small-caps have a standard deviation of 34 percent, meaning that in two-thirds of the years, their returns range from minus 21 percent to plus 45 percent. That is a lot of volatility.

In contrast, the standard deviation for large-caps is 20 percent, giving them a range, two-thirds of the time, from minus 9 percent to plus 31 percent.

Finding great small-cap stocks on your own is not easy. The companies are often unfamiliar and difficult to analyze. Most investors should turn to mutual fund managers for help.

Among small-cap funds, Sheldon Jacobs, editor of the No-Load Fund Investor (914-693-7420), likes Hotchkiss & Wiley Small Cap (1-800-346-7301); SafeCo Small Company Stock (1-800-426-6730), with a return of 29.0 percent for the past 12 months, beating the S&P 500; and Vanguard Index Small-Cap Stock (1-800-662-7447), which mimics the Russell 2000 and has a low expense ratio.

Annual Reports

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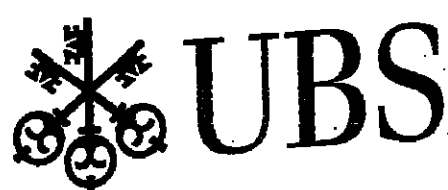
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World Roundup

Coach Gets Homage Mixed With Regrets

SOCCER L'Equipe, the French daily sports newspaper, on Thursday congratulated Aime Jacquet, the French national team coach, whom it had derided for years as a man who could not lead France to victory in the World Cup.

The newspaper, in an editorial signed by its editor, Jerome Bureau, said, "We clearly enough explained our defiance toward him before this World Cup so as not to be obligated today to offer this homage. We doubted his capacity to accompany this exceptional team to the highest level, but nonetheless he did it in his way."

"We continue not to share fundamental opinions on the style of play and to deeply regret certain choices, but as far as sports are concerned, it's obvious that only results count." (IHT)

Selig Voted Commissioner

BASEBALL Bud Selig was unanimously elected baseball's ninth commissioner Thursday, nearly six years after he took over the post on an acting basis.

Selig owns the Milwaukee Brewers but will put the shares of his team in a trust. His election marks the first time an owner has been picked to fill the post. (AP)

Nagano Counts Surplus

OLYMPICS Strong ticket sales and a weak yen helped the Nagano Olympics earn a \$32 million surplus, Sadao Shibamoto, an organizing committee official, said Thursday. The surplus will be used to promote sports in Japan. The total operating costs for the Winter Games were \$814 million. (AP)

NHL Returns to Japan

ICE HOCKEY The Calgary Flames and San Jose Sharks will open the 1998-99 National Hockey League season with two games in Yoyogi Arena in Tokyo. The Mighty Ducks of Anaheim and the Vancouver Canucks opened last season with a pair of games in the same arena, drawing sellout crowds of 10,500 each night. (AP)

Coach Quits Real Madrid

SOCCER Jose Antonio Camacho resigned as Real Madrid coach Thursday, three weeks after accepting the post.

Camacho, a former Real star, had signed a two-year contract with the European champion. Camacho resigned because the club would not guarantee the two-year contract of one of his assistants. (AFP)

Moroccan to Referee Final

SOCCER FIFA, the governing body of soccer, said Thursday that Morocco's Said Belqola, a 41-year-old customs inspector, would referee the World Cup final Sunday between the defending champion, Brazil, and the host, France.

Belqola, who lives in Fez, refereed two earlier matches: Germany against the United States and Argentina against Croatia.

Marc Warren of England and Achmat Salie of South Africa will be Belqola's assistants. Abdelrahmane Zeid of Saudi Arabia is the reserve referee. (AFP)



Said Belqola, who will referee the final, showing a card during the Argentina-Croatia match.



Laurent Blanc, left, who was later ejected, embracing Lilian Thuram, who scored twice in France's 2-1 victory.

Sadness Tinges the French Euphoria Key Defender's Suspension From Final Is a Disaster, Coach Says

By Rob Hughes
International Herald Tribune

CLAIRFONTAINE, France — Lord knows how the French will celebrate if on Sunday they actually win the World Cup.

The crimson flares that lit up Paris, the unrelenting din of klaxon horns on the Champs-Elysees, the fluttering of tricolors that greeted victory in the semifinals have apparently been unparalleled since Liberation Day more than a half-century ago.

However, in the tranquility of Le Centre Technique National de Clairfontaine, where the triumphant French team eat, sleep and train, a sadness tinges the euphoria.

"Even having qualified for the final," said Aime Jacquet, the national team coach, "it is a disaster for us that Laurent Blanc who was our captain for three years and has done everything to resurrect our team will miss his final. The red card was unjust, and we have appealed to FIFA. You always hope."

Hours later came the inevitable confirmation of Blanc's suspension from the final against Brazil. Appeal dismissed. Blanc, 32, had never expected leniency. "I didn't dare hope," he said in the morning. "When the referee has given a red card it would have been unique for it to be removed. For me, it's a personal catastrophe, but I would never have been able to forgive myself if France had lost because of it. If we win the Cup, I will join in the party with mixed feelings."

He looked so calm, this man branded a villain. He is not injured, not full of recrimination toward the referee, not afraid to laugh at his misfortune. If there is anger, it is toward Slaven Bilic, the opponent whose exaggerated reaction to a mild push with the palm of Blanc's hand so sadly emphasized the blatant cheating that has run like a thief motif

through this World Cup. Bilic escaped without censure of any kind despite staggering back and holding his forehead as if he had been punched by Mike Tyson. There was contact, and Blanc was foolish to raise his hand in his 74th match for France. But the hand was nowhere near the forehead, Bilic knew it, the Spanish referee ought to have known it, and 80,000 people in the Stade de France, plus a billion of television viewers around the globe knew that once again a world class player had feigned injury to get a fellow professional sent off.

"Bilic came to me after the game," Blanc said. "He said he was sorry be-

cause he now understood that he had deprived me of appearing in the final." Sorry!

"The first thing that crossed my mind," Blanc said, "was that I should give him a real punch in the face. But it would achieve nothing. I respect the referee, but what I did should only have been a yellow card and if the referee had been an ex-professional player he would have seen it was not really a blow from me."

"If you look at the video, you will see that he was holding me, and I pushed him away."

The video. It is a sore topic in soccer. The authorities have condoned the use of video to retrospectively make the perpetrator of a bad foul, indeed to strike a referee off the list of top European games last season. Sepp Blatter, the new FIFA president, a few days ago chastised Jose-Manuel Garcia Aranda, a referee, for failing to expel Dennis Bergkamp, the Dutch player, for stamping on Yugoslavia's Sinisa Mihailovic earlier in this World Cup.

Garcia Aranda was the referee in charge of Wednesday's semifinal at Stade de France. He saw Blanc raise a

hand and red carded him. He apparently was encouraged by Bilic's play-acting, and he later mocked Robert Jarni, of Croatia, whom he indicated had feigned injury when palpably Jarni was struck by the elbow of Thierry Henry.

Garcia Aranda, under pressure from the lord in the stands, realized his error when blood spurted from Jarni's scalp, though he still gave Henry the benefit of all doubt and issued no foul, no card of any hue.

The performers, I have to say, are playing with the devil. Ronaldo, the finest player in the world, has fallen to the ground, dived to the ground, slumped to the ground at the merest hint of contact with an opponent which is crazy since he is a wonderfully built and powerful athlete who could benefit from staying on his feet.

He is the symbol of youth, the example to those who aspire to the game. But against all the fabulous talents that he has, he cheats. Let's keep saying it. Let's not allow the players, the officials, the game to hide from the evidence before our eyes.

FOR when players are genuinely hurt, the poor referee (and FIFA chooses many poor referees) are full of suspicion. One day, maybe even in Sunday's showpiece final, a player will suffer serious harm because he is wrongly adjudged to be acting.

Those in high authority who love to pontificate on Fair Play, have just a few days to get this one right. They can call Bilic to account for his misdeed toward Blanc. After all, Bilic is an intelligent man, a fine defender, and a player who in his spare time, in England, which is a foreign country to him, completed a degree in law.

The law has been an ass too long.

Rob Hughes is the chief sports writer of The Times of London.

CARD: Soccer Players Faking Injuries Develop a New Art Form

Continued from Page 1

me, I reacted," Bilic said. "That's part of the game, to react."

Reacting is surely part of modern soccer. The Argentines were falling on the ground during their anthem. The Italians were flailing when they got off the bus. The Bulgarians were calling their concierge to complain about enemy cleats. There are allegedly yellow cards for diving, but the players know the tactic pays.

By the way, the French are not slouches at faking it. My personal favorite is Emmanuel Petit, with the blond ponytail and the elaborate mannerisms from a remake of the Three Musketeers.

Remember when Athos or Porthos, or maybe it was Harpo, fell to the ground with an enemy sword clattering on both sides of his poor punctured body? Kind of scary. But then he would jump back into the fray, shouting, "Eet ees only a flesh wound!"

In soccer, it is almost always less than a flesh wound.

I keep imagining Michael Jordan going into convulsions every time somebody came near him. (Michael doesn't have to, you say. He's got the refs looking out for him. Good point.) I'd like to have seen good old Lawrence Taylor performing the Del Piero 1½ gainer, or good old Mark Messier doing the Ortega double spasm, or good old

Cal Ripken doing the Stoichkov death rattle. Come to think of it, the American soccer players can't dive, either.

On Friday, Blanc recalled the moment he got pulled into somebody else's sidewalk performance. He's a 32-year-old pro with Olympic of Marseille.

"There was a free kick for us, so I don't see why I would hit him," Blanc said of Bilic. "I threw no elbow, no feet. He played his game to get me thrown out. Bilic came up to me after the game. He said he was sorry. The first thing that crossed my mind was that I should give him a real punch in the face."

I haven't seen that guy from Rome in years. I hope he is making a living coaching these actors.

France Goes Wild, But Not at the Stade

Les Bleus Don't Feel the Passion of the Streets

By Christopher Clarey
International Herald Tribune

CLAIRFONTAINE, France — Approximately 300,000 people converged on the Champs-Elysees in the early hours Thursday to celebrate the fact that France was finally in the final of the World Cup. There were hundreds of thousands more French supporters in the squares of Nantes, Montpellier, Bordeaux and even traditionally restrained Lyon.

But the team, whose 2-1 victory over Croatia in the semifinals had generated all this exuberance, just got on its bus and drove south for 45 minutes to its country home away from home — the national technical center for soccer — to begin preparing to face Brazil on Sunday.

The French team has trained here in the woods of Clairefontaine for years and been based here since June 8, two days before the World Cup began. It is a bucolic, attractive spot, but to hear the players tell it late Thursday morning, they have just about had their fill of tranquility, both inside and outside the confines of their rural retreat.

"It's a little bit disappointing to be here," said defender Marcel Desailly. "We'd like to be out in the cafes and on the Champs-Elysees ourselves. It's there where you can really get a sense of the impact."

Desailly and his teammates made it clear that their run to the final is the highlight of their careers. They also made it clear that they think they are not getting enough support during their games, and they were not referring to the record television audience of approximately 20.5 million in a nation of 58 million that watched them beat the Croatians. They were referring to the atmosphere inside the striking, new 80,000-seat Stade de France. Les Bleus have yet to lose there since it was inaugurated in January, but they also have yet to sense the kind of passion they see on their television screens and on the street corners they pass in their bus on their way to and from games.

"Our real fans are outside the stadium," said Didier Deschamps, the French captain. "It's easy for someone to do the wave when we score, but we need that support all the time. We need the same enthusiasm and joy that we can see outside the stadium. Inside the stadium, there are too many uptight people in suits and ties. This is not the theater. Our real public are the farmer or the laborer who are dressed in red, white and blue all day, but they probably cannot afford a ticket."

"It's normal to see people in suits and ties in the president's box, but it seemed like three-fourths of the fans were wearing suits and waiting for I don't know what. If they are invited by the sponsors, I have no problem with that. That's part of soccer these days, but I hope they wake up for the final. I don't want to hear the samba for 90 minutes."

Defender Frank Leboeuf, who will start against Brazil because of the red card Laurent Blanc was given against Croatia, suggested putting up a sign outside the Stade de France. "It should read, 'No suits allowed,'" Leboeuf said. "It's an offense to soccer, which is

a sport of the masses. Put on a T-shirt. Paint your face and start shouting."

In the final minutes of the match Lilian Thuram, the reserve goalkeeper, got off the bench and ran behind one of the goals, where he exhorted the crowd to cheer more loudly. "It bothered me to see this public so calm," he said. "We were playing with 10 men against 11, and I could hear the flies fly."

Charbonnier was not the only French reserve lobbying for less reserve.

Before the game, midfielder Robert Pires had asked President Jacques Chirac to shed his suit in favor of a French team jersey with the number 23 (there are 22 players on the French team). But the president declined to defy decorum and instead kept the shirt by his side during the match, although he brought it with him when he visited the team in their exuberant locker room afterwards.

By that time, fans already were in the streets of Paris. Unlike the English or the Dutch or even the Croatians, French fans don't have traditional soccer hymns to bond with. On Wednesday night, they settled for chanting "On est en finale!" ("We're in the final!") and, perhaps of greater interest to Mr. Chirac, "Thuram Pres-i-dent!" ("Thuram for President!")

It was a most heady evening for Lilian Thuram, the right back who scored both French goals. Thuram had never scored for the national team and had scored only once in his two seasons with Parma in the Italian first division. But suddenly he was the man of a most high-profile match: the man whose name was being shouted by his teammates on the bus.

"Desailly came up to me after my second goal and said, 'What's the matter with you?'" said Thuram, a thoughtful sort with a penchant for self-deprecation. "He told me all I usually do is kick the ball into the stands."

What surprised Thuram nearly as much as his sudden scoring touch was to see television footage of his father, why unlike President Chirac, was wearing a French jersey. Thuram's father left home when Thuram was still an infant in Guadeloupe.

"To be a father is not simply to bring a child into this world," Thuram said. "It is to take care of that child and to give him direction and guidance. It's my mother who always did this for me. I'm surprised that today, because of the World Cup and because the cameras are on my father that he puts on a jersey with my number on it and speaks of his son like a father. I don't see it that way. It's not just because the World Cup is going on that the priorities change."

What is definite is that the French lineup is again about to change. Blanc, one of the few links between the team that failed to qualify for the 1994 World Cup finals and the team that has qualified for the final, will now have to watch his nation's most important match from the bench. In his customary spot next to Desailly will be Leboeuf, a lesser presence and lesser player with a greater sense of humor.

Asked to compare himself with Ronaldo, the Brazilian striker he should see a lot of on Sunday night, Leboeuf responded, "I played striker once, too, and that's why I became a central defender."

Unlikely Scorer Thrusts France by Croatia to Final

By Jere Longman
New York Times Service

SAINT-DENIS, France — After producing no goals in his first 37 appearances with the French soccer team, the exquisite defender Lilian Thuram delivered a pair, providing a 2-1 victory over Croatia in the World Cup semifinal and propelling France into the World Cup final for the first time before 80,000 delirious fans at the Stade de France.

Two minutes into the second half

Wednesday, after he made a rare mistake that led to Croatia's goal, Thuram stole a pass to tie the game and to energize a lethargic team that had not scored during regulation time in two previous matches. He scored again in the 69th minute after another alert disruption and sent his team into the championship game against Brazil on Sunday.

Stunningly, the match changed from a dull, interminable first half to a wild, gripping conclusion. France was fatigued and frantic to avoid a third consecutive

overtime game. But five minutes into injury time, it was still not out of trouble. Not until its goalkeeper, Fabien Barthez, punched away a shot from Goran Vlavovic did Croatia finally succumb to its first trip to the World Cup.

France played short-handed for the final 20 minutes, after its previous savior, Laurent Blanc, received a red card for a stiff-arm to the face of the Croatian defender Slaven Bilic. Blanc is ineligible for the final, which could be crippling. It was Blanc who scored the goal in overtime to send France past Paraguay in the second round, and it was his penalty kick that made the difference in the quarterfinals against Italy.

Still, it was a night for exuberant release as France finally made it to the World Cup final after losing in the semifinals in 1958, 1982 and 1986.

The scoreless first half was the kind of soccer that people who dislike the game use as prime evidence. The top French offense consisted of setting up the playmaker Zinedine Zidane 30 yards from the goal. But only seconds into the second half, the game exploded into a captivating fight to the finish.

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SPORTS

The Highs and Lows of Coors Field

It May Be a Gorgeous Park, but It's No Place to Play Baseball

By Thomas Boswell
Washington Post Service

DENVER—Coors Field is a beautiful joke. Those who feel that the home of the Colorado Rockies is one of the half-dozen most gorgeous parks in baseball are absolutely right. And those who feel that the mile-high stadium is an abomination that turns the sport into a third-rate freak show also are totally correct.

No better park could have been built in Denver than Coors Field. Even more than Camden Yards in Baltimore, it evokes the best of the old yards from the 1950s. The deep green wrought iron feels like it has been there forever.

"Griffith Stadium," said one writer who covered many Senators games. And that, if faint memories serve, seems right.

However, no adequate major league field can be built a mile above sea level. It is not possible. Physics forbid it. The Rockies draw tremendous crowds that love the sport their team plays. But that game is not baseball. Or anything even remotely close to it.

Coors Ball—perfectly exemplified by Tuesday night's All-Star Game—is a confused, capricious mess that measures skill poorly, offers little of value, and is barely worth watching. In the long perspective of baseball history, Coors Field serves only one purpose. Maybe, if prayers can be answered, it will prevent another high-altitude park from being built. Ever.

For more than a century, baseball has been an aesthetic joy to millions of fans because of one wonderful accident: The game's dimensions are perfect. Nobody knows how it happened. Why 60 1/2 feet from the pitcher's rubber to home plate or 90 feet between bases? As the sport evolved, the natural distances to outfield fences identified themselves—

roughly 330 feet to the foul poles and 410 to center.

With such a configuration, everything worked. It has been an off-made point for generations. If a fast batter hit a grounder in the hole in 1898 and the shortstop made a clean play, plus a strong throw, the runner was out by half a step. With the slightest misplay, the runner was safe. In 1998, exactly the same is true.

This is equally apt for every other basic play, from those not-quite-perfectly-struck fly balls that die on the warning track to 400-foot relay plays that nip a sliding runner at the plate. Nobody knows how a game got born where almost nothing ever had to be changed. You do not appoint a committee to improve the wheel. Or a baseball diamond.

Now we have big league baseball in Denver. Nobody did anything wrong. If a city wants baseball, fights for it and gets it, then that town deserves to have it. Would Northern Virginia be drawing 50,000 fans a night if expansion had come there? Probably not. But when baseball is played a mile in the air, all the game's distances are suddenly off. Instead of being a thing of beauty, baseball suddenly becomes not only distorted, but actually defaced and displeasing.

Baseball at lowered gravity has many flaws. For example, because the air is thinner, all breaking pitches meet less resistance as they fly and, thus, swerve less. Even a fastball loses some of its movement. In the cruellest illustration of the point, one of the best curve ball pitchers of the '90s—Dwight Gooden—became a free agent last winter. He decided to become a Rockies. So far, his ERA at home is more than 6.50.

The greatest problem with baseball played under "jamaican" conditions, however, is also the most insoluble: the size of the outfield. It is too damn big. By an acre.

Experts argue, weakly, about how much farther a batted ball flies at 5,280 feet above sea level. But the generally used number is nine percent. So, if a normal ballpark has outfield dimensions of 330, 375 and 400 feet, then Coors would need to be about 360-410-435 to the corners, alleys and center field to make home runs comparably difficult to hit.

Coors is almost that big. Yet, even with 390-foot power alleys, the park permits homers at a band-box rate. That, however, is not the real problem. It is the outfield. Willie Mays, Tris Speaker and Devon White could not cover it. Worse, there is no proper way to position yourself. If you play at normal depth, balls rocket over your head or shoot up the gaps for doubles, or, more likely, triples. No team even attempts conventional positioning because it is a disaster. Instead, outfielders play deep—or deeper than deep—to prevent extra-base hits.

The result? Hardly an inning passed Tuesday when a routine line drive, soft fly, bloop or apparently harmless can-of-corn did not fall to the grass untouched for a hit. If there were not 10 "Coors hits," then there was not one. It was obscene.

The activity conducted in Coors Field is simply not baseball any more. What the All-Star Game put on display for tens of millions to see was a 20th-century, commerce-driven practical joke played on a 19th-century American ballpark.

Rockies fans are free to love their Coors Ball if they like. But it is a hideous, and ineradicable, blight on the game. Why make a fuss? Why spoil the party? Because the point needs to be made, and repeated, that Major League Baseball should never again allow another high-altitude expansion disaster. Nowhere. Never.



Becker Gets Back to Winning Ways

Boris Becker, now semiretired, advanced smoothly into the quarterfinals of the Swiss Open in Gstaad on Thursday with a workmanlike 7-6, 7-5 victory over the fourth-seeded Frenchman Cedric Pioline. Becker is ranked 119 in the world.

28 Tryouts Dream as NBA Stars Stay Out

Washington Post Service

CHICAGO—The dispute between the National Basketball Association owners and players has brought 28 unlikely characters to a tryout for the U.S. team for the World Championships.

The labor conflict between players and owners resulted in the original squad of NBA stars boycotting or being dismissed, depending on which side is talking. So USA Basketball, the governing body of basketball in the United States, gathered a cast of players, most of whom have spent the last few years scraping along the margins of professional basketball, for a weeklong tryout.

Russ Granik, the president of USA Basketball and the NBA deputy commissioner said, "The unfortunate thing is USA Basketball is going to lose a lot of money, not the NBA. I think all of American basketball is taking a hit. Around the world, they can't understand it. They don't understand why the Americans don't want to play for their team. What does that have to do with the NBA?"

Quite simply, this: The NBA, according to sources, receives a large chunk of the revenue generated by the USA Basketball squad, and international play is a major marketing tool for NBA merchandise, the revenue from which is controlled primarily by the owners. Billy Hunter, the players union director, has said it would be ludicrous for NBA players to put money into the pockets of the same owners who are bent on curbing the players' earning power with a more restrictive salary cap.

Cipollini Is in a Hurry to Turn Green

By Samuel Abt
International Herald Tribune

DUBLIN—Mario Cipollini, the biggest hot dog under the dreams of Oscar Mayer, has come to Ireland for the start of the Tour de France with a bicycle as green as a shamrock.

The star Italian sprinter and showman arrived Thursday with his Saeco teammates and the 20 other teams of 9 men each who will set off Saturday in the three-week race. The riders began showing up for cursory medical examinations at Dublin Castle in the afternoon and few are likely to attract more attention than Cipollini. Ireland is fair bicycle racing territory and his exploits, including four daily stage victories in the recent Giro d'Italia, appear to be well known here.

Cipollini has no Gaelic and less English, so will be spared explaining to the natives that his bicycle was not painted in honor of the Emerald Isle. Like his yellow bicycle, it was painted in honor of Cipollini.

He rode the yellow bicycle last year during the two days he wore the yellow jersey of Tour leader. This year his eye is on the green jersey of the points leader, hence the green bicycle.

A notoriously feeble climber, Cipollini does not have a bicycle with the red polka dots that denote the king of the mountains. But, as befits a

clothes horse who boasts that he has a pair of shoes for every day of the year, he does have in his Tour suitcase the red, white and blue, star-spangled outfit that he wore last year to honor the American makers of his Cannondale bicycles and the black and blues soccer jersey of Inter Milan with the No. 10 of Ronaldo that he wore on a victory podium in the Giro.

He and his team are fined every time he appears in anything but his regulation team jersey and black shorts but, hey, life's meant to be fun, Cipollini says. For all his sartorial bluster, his pet cheetah and Via Veneto scruffy good looks, the 31-year-old Cipollini is surprisingly softspoken. He does not predict victories and never humiliates his rivals verbally. While he may refer to himself as The Lion King, Il Magnifico and even, a few years back, unblushingly as the Italian Stallion, he does not say he is the best sprinter in the sport. He agrees, however, with anybody who does say so.

"It's not easy being among the best for 10 years," he said during the Giro, where he tied Eddy Merckx's career record of 25 stage victories. "It's more difficult every year for me to train, to suffer. My biggest boost is that I win, which makes it worthwhile. I still feel an indescribable joy when I do. There's nothing like winning."

And he keeps winning. After his

triumphs in the Giro early in June, he won four stages in the Tour de Catalogne, his tune-up for the Tour de France. His overall strategy will be the same as last year: finish high in the short prologue on Saturday and then try to win the first road race around Dublin on Sunday or the second stage to Cork on Monday, gaining enough bonus seconds for victory to don the yellow jersey and wear it to France on Tuesday. Until July 18, the Tour's terrain will be flat—ideal for sprinters.

As always, Cipollini will rely on his Saeco teammates to overtake any breakaways and power him to the front near the mass finish. Saving energy, he will tuck in behind his leadout man, Gian Matteo Fagnini and then burst past him and presumably everybody else with 100 or 150 meters left.

Any sprint finish in the top 25 of the 189-man field will give him the points, on a sliding scale of 35 down to one, that count toward the green jersey. That is Cipollini's main goal in this Tour, he says, but to win the jersey, not just keep it for a few days, he will have to get over the Pyrenees and Alps and make it to Paris on Aug. 2.

It will not be simple. In his four previous Tours, citing the heat, and general weariness, he has been unable to finish. "They say I can't do it," he says, "but I think I can. When I get something in my head, I go for it."

SCOREBOARD

BASEBALL

AMERICAN LEAGUE LEADERS

	G	AB	R	H	AVG
B. Williams, NYY	59	224	47	79	.353
Rodriguez, Tex	71	309	51	108	.350
H. Martinez, KC	61	264	30	92	.348
Shane Ock	76	255	43	85	.333
W. L. White, Minn	72	249	47	89	.331
Al. Vaughn, Bos	77	309	49	101	.327
Thorne, Cle	83	304	66	99	.326
Hagginson, Del	84	326	59	106	.323
Ortiz, NYY	89	326	59	106	.323
Segal, Sea	83	307	51	99	.322

	G	AB	R	H	AVG
R. J. Martinez, Seattle	76	304	51	101	.333
C. O. Rodriguez, Seattle	76	304	51	101	.333
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STRIKEOUTS—R. J. Martinez, Seattle, 176; P. Martinez, Boston, 142; C. Finley, Anaheim, 135; Clemens, Toronto, 126; Erickson, Baltimore, 108; Cone, New York, 105; Sale, Texas, 102.

SAVES—Perrotti, Anaheim, 26; Gordon, Boston, 25; R. J. Martinez, Toronto, 23; M. Rivera, Cleveland, 19; Taylor, Oakland, 18; J. Martinez, Kansas City, 18; Aguirre, Minnesota, 18.

NATIONAL LEAGUE LEADERS

	G	AB	R	H	AVG
Blanton, SL	77	295	50	100	.339
B. Williams, Cle	88	348	53	124	.337
Kentland, PH	81	278	47	100	.326
Ortiz, Sea	84	320	42	114	.324
Everett, Hou	70	237	41	79	.323
L. Martinez, Cle	69	245	32	81	.331
McGwire, Cle	94	331	53	109	.329
Gwynn, SD	79	288	45	94	.329
Montgomery, Cle	81	303	35	99	.327
Ortiz, NYY	82	316	40	99	.326

	G	AB	R	H	AVG
Blanton, SL	77	295	50	100	.339
B. Williams, Cle	88	348	53	124	.337
Kentland, PH	81	278	47	100	.326
Ortiz, Sea	84	320	42	114	.324
Everett, Hou	70	237	41	79	.323

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Lenteria, Florida, 28; Biggio, Houston, 26;
 J. Shields, St. Louis, 18; Q. Venz, San

AND HOBBS

POSTCARD

Santa's Turkish Roots

By Stephen Kinzer
New York Times Staff Writer

DEMRE, Turkey — The slogan of this pretty town on Turkey's magnificent Mediterranean coast might be: "Catering to Cults and Religions for More Than 2,000 Years."

A center for pagans, early Christians and modern Eastern Orthodox denominations, Demre today attracts throngs of camera-toting pilgrims.

In pre-Christian times, Hellenic tribes who lived in the surrounding mountains built a temple here. It was destroyed in an earthquake in the second century A.D., a cataclysm that local Christians took as Jehovah's retribution on those who refused to embrace monotheism.

Christians built a church on the site of the ruined temple, and in the fourth century, a local holy man named Nicholas became its bishop.

He was renowned for good deeds, among them throwing a purse full of gold coins in the window of a home where three impoverished sisters lived. The sisters had decided that two of them would sell the third into slavery so the first two could afford dowries, and when Nicholas overheard their desperate plan through an open window, he resolved to help them anonymously.

Nicholas is also said to have carried a sack full of gifts for children through the streets of Demre, then known as Myra, on the December night before the birth of Jesus was celebrated. For this he became the prototype of Santa Claus.

After Nicholas died in 323, his priests buried him in an elaborate marble sarcophagus that they periodically filled with fragrant oil. The oil

dripped through cavities in the sarcophagus, and priests did a lucrative business selling vials of it to pilgrims who believed the oil had miraculous powers.

About 700 years after Nicholas died, his skeleton was stolen by Italian merchants. "They saw how much money could be made with the bones," a guide at the site said, "and decided to take them home to try the same scam there."

With no bones to serve as a drawing card, Nicholas's church fell into disrepair and was ultimately lost to history.

In the 19th century Czar Nicholas I of Russia, determined to resurrect the memory of his namesake, commissioned an expedition that succeeded in locating and excavating what remained of the church, including mosaic floors, several frescoes and the holy sarcophagus, in which giggling children now stand dozens of times a day so their parents can take snapshots.

After the Greeks living here left this region in a population exchange with the Turks that followed the fall of the Ottoman Empire in the aftermath of World War I, no Christians remained to take care of the resurrected church. Demre sank back into its former status as a remote though picturesque village known mainly for its annual camel-fighting tournaments.

In the 1950s local businessmen guessed that the legend of Santa Claus might be Demre's ticket back to prosperity. Since then the Turkish government has claimed Nicholas — and by extension Santa — as its own, issuing a stamp in his honor and sponsoring conferences here to honor his memory.

By Howard Kurtz
Washington Post Staff Writer

WASHINGTON — Tina Brown, the outgoing editor of The New Yorker, will become chairman and part owner of a new multimedia company, in partnership with Miramax Films, that will launch a monthly magazine and produce movies, television programs and books.

The new venture was announced after Brown, who transformed The New Yorker from a fading cultural institution to a fiercely topical, sometimes glibly magazine that continued to hemorrhage money, stunned her staff by announcing her resignation Wednesday.

S.I. Newhouse, whose media holdings include The New Yorker, offered Brown millions of dollars to sign a five-year contract, but after staring at it, she told her staff, "I couldn't stand the thought of getting married for five more years." (Related article, Page 15)

Brown's confidants say she has been frustrated by plans to merge The New Yorker's operations into Conde Nast, the Newhouse magazine empire, and by the company's refusal to let her start other media ventures. She has also been deeply affected by the death of her mother, who urged her to get more fun out of life, just days ago.

"It was so difficult to make the decision because of my great passion for The New Yorker," Brown, 44, said in an interview. She said her friend Harvey Weinstein, co-chairman of Miramax, "was offering something The New Yorker couldn't offer me: equity, a partnership, the ability to create a new media company."

Conceding that The New Yorker had become less of a challenge, she said: "I was having a lot of doubts about it, and agonizing over it, and wanted to do it and then felt I shouldn't. That psychological moment is when Harvey moved in."

In a larger sense, the British-born Brown, who made her name editing Vanity Fair before joining

The New Yorker in 1992, has been a master practitioner of "buzz," the magical chatter that renders a publication must reading. This is the woman who once put a naked and very pregnant Demi Moore on Vanity Fair's cover. But the buzz on Brown has grown rather negative of late, particularly as her magazine lost a reported \$60 million in the last four years.

"Even a brilliant person has only so many ways to do a weekly," said Kurt Andersen, a New Yorker writer. "The second 300 issues are probably going to be less original and surprising and interesting to the world and yourself than the first 300."

"She gets a lot of criticism for being obsessed with buzz, but buzz is what brings you to the magazine," said Michael Kinsley, editor of Slate. "She saved that magazine, editorially. It's the hottest magazine being published."

There was no immediate line on a successor. Those being touted include Graydon Carter, Vanity Fair's editor; Kinsley, a former editor of the New Republic and Harper's; Andersen, a former editor of New York magazine; and David Remnick, a Pulitzer Prize-winning New Yorker writer.

Brown, who says she had several other offers, is the second member of her family to leave Newhouse's privately held corporation. Her husband, Harold Evans, resigned last year as president of Random House.

The new Miramax venture, whose market appeal remains to be seen, is the logical extension of Hollywood's constant scouring of books and magazines for movie ideas. Bidding wars frequently break out over the rights to hot new books even before they go to press, and magazine pieces are commonly mined for script ideas.

Once an independent studio, Miramax was bought by Disney in 1993 and now churns out more films than most of its rivals, including such hits as "Good Will Hunting" and "The English Patient." Weinstein noted that "Saturday Night Fever" and "Urban Cowboy" began as magazine pieces.



For R. Givens/The New York Times
S.I. Newhouse with Tina Brown at a party for The New Yorker magazine's 70th anniversary in February 1995.

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Calling the venture "incredibly exciting," he said: "We can find a way to create a one-hour television special around a brilliant nonfiction piece, or it could become the basis of ... movies. It's all about content." Weinstein said he had obtained

media firm by Ronald Galotti, who was her publisher at Vanity Fair and now is publisher of Vogue, another Conde Nast publication.

As recently as last week, Brown was telling friends she would sign another New Yorker contract, but she cut the Miramax deal at 5 P.M. on Tuesday. There was some talk that Newhouse precipitated her exit by insisting on a long-term deal and perhaps other concessions.

While Brown's friends are "thrilled" for her, said Ken Auletta, the magazine's media writer, "the flip side is a concern for what happens next at the New Yorker. What happens to the people on staff?" One reporter said Brown's departure "makes the whole place feel like stale goods."

Brown's future became the subject of considerable speculation in late May when Steven Florio, Conde Nast's chief executive, removed the New Yorker's publisher — his younger brother, Thomas Florio — without consulting her.

There were also media reports that seemed to blame Brown's free-spending ways — she has been known to pay as much as \$25,000 for an article — for the magazine's financial distress.

Brown recruited plenty of high-priced talent while dumping some of the old guard, many of them established authors. Backed by an expensive promotional campaign, she boosted circulation from 628,000 to 809,000 and won 10 National Magazine Awards.

From the day she took the job, Brown was assailed by some for trampling on the hallowed traditions of the legendary New Yorker editor William Shawn.

"The magazine had become old and in some ways ossified," Auletta said. "The regime before Tina basically acted like a museum curator. She was determined to make it more relevant. She made some mistakes, published some pictures that some of us were not that thrilled with. But she did a brilliant job."

PEOPLE



THE B-52S ARE BACK — The band, which regrouped after a five-year break, has released a greatest hits album, "Time Capsule: Songs for a New Generation."

THE Opera Bastille in Paris said that James Conlon has agreed to stay on as its permanent conductor and music adviser until 2004. The extension of his contract, originally due to expire July 31, 2001, signals an end to a period of damaging public disputes at the opera house. The New York-born Conlon, 48, was hired three years ago after the Opera Bastille fired his predecessor, Myung-Whun Chung.

A first edition of Geoffrey Chaucer's "The Canterbury Tales" was sold at auction to the billionaire philanthropist J. Paul Getty Jr., at a price that Christie's said was a world record. The red leather-bound edition, printed in 1476 or 1477 by England's earliest typographer, William Caxton, sold for \$4,621,500 (about \$7.6 million). "This has become the most expensive book ever sold," said a Christie's spokeswoman. Christie's had expected the book to fetch up to \$700,000 at most. The spokeswoman said the previous highest auction price for a book was \$5.3 million for a Gutenberg bible printed in 1455.

Queen Elizabeth II, renowned for her stern public image, entertained an audience by mimicking Northern Ireland's firebrand Protestant

politician, the Reverend Ian Paisley. A civic leader in Edinburgh who recently met the queen at an official reception wrote in a local paper that the British monarch had carried out a "wicked" impersonation of Paisley, several London newspapers reported. A Buckingham Palace spokeswoman responded, "We do not comment on private conversations between the queen and other people." But Paisley himself, a staunch royalist, was magnanimously amused. "The queen is entitled to use the gifts that God has given her to mimic anyone she pleases," he said.

Jurors for the Praemium Imperiale awarded lifetime achievement prizes Thursday to five artists: the British director Richard Attenborough, the Russian composer Sofia Gubaidulina, the Israeli sculptor Dani Karavan, the American painter Robert Rauschenberg and the Portuguese architect Alvaro Siza. The Japanese-sponsored Praemium Imperiale honors artistic fields not covered by Nobel Prizes; the awards are often referred to as the Japanese Nobel for culture. The awards of 15 million yen (about \$143,600), which were announced in Munich, will be presented in Tokyo in October. On hand for the announcement were three jurors: the former German chancellor Helmut

Schmidt, the former British prime minister Edward Heath and the former French prime minister Raymond Barre. The other jurors are David Rockefeller Jr., the U.S. industrialist; Yasuhiro Nakasone, the former Japanese prime minister; and Umberto Agnelli, the Italian industrialist.

The moon landing, Martin Luther King Jr.'s "I Have a Dream" speech, the peace sign ubiquitous during Vietnam War protests and the Peace Corps are among the 1960s topics that the public voted memorable enough to be portrayed on U.S. postage stamps. The post office is issuing sets of 15 stamps to commemorate each decade of the century.

Smashing Pumpkins want their latest tour to smash some Generation X stereotypes. "There is a common feeling that the world is falling apart, and we're one of the bands of our generation accused of playing into that nihilism," said Billy Corgan, the band's lead singer. "I'm sick of being accused of feeding into that." The band hopes to raise \$2.3 million for local charities during its summer tour, which opened Tuesday. "What's important now is putting our values ahead of our pockets," Corgan said.



(move fast)

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